

## Preview

Valentine's cards, chocolate hearts, inscribed balloons and kisses from a French maid are among the ideas for Valentine's Day presents suggested in today's Preview. The 16-page weekly arts and entertainment guide also contains information on films, theatre, music, dance, exhibitions, sport, family outings and broadcasting in Britain, plus the skier Konrad Bartelski's view of the course for tomorrow's men's downhill world championship race.

## US agents forecast Shah's fall

Documents seized from the American Embassy in Tehran and published by the Iranians show that American diplomats and intelligence agents accurately assessed the situation in the last stages of the Shah's regime. Doubts over the regime's stability appeared in secret reports two years before the revolution.

## Yard to restore lost £5,000

Scotland Yard is to pay £5,443, plus £1,670 in interest, to a former prisoner after conceding that the money, confiscated from him during an arrest, had been lost. No disciplinary action is to be taken.

## Amend schools Act, MPs say

The Education Act, 1944, should be amended to give the Secretary of State powers to intervene when a local authority appears to be failing to provide a nationally agreed level of education, the Commons Select Committee for Education, Science and the Arts says.

## Clash on mental patients' rights

A Nurses' union and a mental health charity clashed over a case before the European Commission of Human Rights in Strasbourg yesterday in which the Government is accused of denying mental patients' rights.

## Mubarak firm on Palestinians

President Mubarak of Egypt has underlined his deep differences with Israel on the Palestinian problem. After talks with President Reagan in Washington, he said the Palestinians had a right to self-determination and to function as a national entity.

## Speaker's ban

Referring to the use in the Commons of a four-letter word, Mr George Thomas said: "As long as I am Speaker, I shall consider that an unparliamentary expression. None of us would use it in our homes. I hope this House can maintain a better example to the country."

## Rape therapy

Women who have been attacked sexually have volunteered to meet rapists in Maidstone prison, Kent, so that they can better understand the serious consequences of their crime.

## World Cup talks

Mr Neil Macfarlane, the Minister for Sport, will see Spanish Government officials in Madrid today to discuss the possibility of footballing during the World Cup finals this summer.

## Alliance vote

The social democrats and the Liberals have announced they will vote with the Government on next Monday's second reading of the Employment Bill.

## Royal tribute

Tomorrow is the thirtieth anniversary of the Queen's accession to the Throne. In tomorrow's Times Sir Harold Wilson, who served Her Majesty as Prime Minister during four administrations, pays a personal tribute.

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Letters: On Civil Service pay, from Mr Bernard Gottlieb, and others; Alliance leadership, from Lord Tordoff; Ulster, from Mr William McDowell.  
Leading articles: private and public medicine; Schmidt's economic measures.  
Features, pages 10, 12  
David Watt assesses the SDP leadership contest; how President Mubarak sets the new Cairo style; the statistical triumph of England's cricket tour of India; Professor Robin Morris says British graduates are the best value for money in the world.  
Obituary, page 14  
Professor F. T. C. Carter, Mr Sigmund Pollitzer.

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# Defiant Pym to repeat warnings on economy

By Julian Haviland, Political Editor

Mr Francis Pym, who was severely criticised in private by the Prime Minister for a speech on Monday which he considered too pessimistic, believes that he was right to speak as he did and means to do so again. He has told Conservative MPs, most of whom agree with him, it is vital that the chances of early economic recovery are not overplayed by ministers.

His own belief is that economic recovery is too high a time when there is world recession and low output and continuing long-established over-inflation at home.

Mr Pym, Lord President of the Council and Leader of the House of Commons, is also in charge of co-ordinating Government information, and he thinks that the general impression given by his colleagues in the Government in recent speeches has been that the country's economic health is improving faster than in fact it is. He has asked for speeches to be more balanced.

The opposite view, held by some people in industry and the Treasury, is that the restoration of confidence would itself be of economic benefit and that every sign of recovery must be trumpeted. This belief has certainly been reflected in many recent speeches from Mr Margaret Thatcher, Sir Geoffrey Howe, Chancellor of the Exchequer, and others.

Mr Pym's offence, in the Prime Minister's eyes, was that his Monday speech was too sombre. He said living standards could only fall in the short run, but for some time to come we would face a struggle just to hold on to something like our present living standards. There could be no early return to full or nearly full employment, he said.

Asked next day by Mr Michael Foot about "this remarkable speech", the Prime Minister said it was excellent, and quoted the most cheerful parts he could find. But Mrs Thatcher's private comments to members of her Downing Street staff were different. She did not think much of the speech, it was out of line with what Treasury ministers had been saying and contained unfortunate sentences.

Members of the House have recognized that Mr Pym was saying something which he thought important, but described him as a pessimist.

Up to last night, however, these decided and critical

views, although deliberately made public and duly passed on by political reporters, had not been conveyed to Mr Pym directly. Nor when the two met at yesterday's Cabinet meeting was there any hint of the Prime Minister's displeasure.

But Mr Pym, who reads the newspapers, yesterday showed his resentment of the accusation of pessimism whether it was made by the Prime Minister or in her name. He regards himself as a realist. He has pointed out to friends that he has made speeches in similar vein at the Conservative Party conference and elsewhere.

He believes that the Conservatives have a better chance than any other party of forming the next Government, but not if they mislead the country and raise hopes too high.

He is strikingly sure of his ground and is based at the prospect that his speech and the Prime Minister's response to it may have the effect of bringing into the public arena the question which he thinks of major importance: how the country can adjust to the prospect of long-term high unemployment.

Last night Mr Nicholas Edwards, Secretary of State for Wales, joined in the debate, saying that Mr Pym had caused a sensation by proclaiming a few home truths. It was considered amazing for a Cabinet Minister to say that living standards might fall and that many things were outside the control of governments.

Mr Edwards said that Mr Pym had been criticised for the kind of unrealistic expectation that was aroused when Mr Peter Shore, Opposition spokesman on the economy, suggested in the Commons that the Government might restore £5,000 to the economy without forcing interest rates up.

Mr Edwards also confessed to increasing optimism; he saw increasing signs of a breakthrough and the return to industrial production was an encouraging sign that recovery had begun.

"Though we are living through a desperately difficult period in which living standards will certainly fall and in which people's false expectations will be dashed, we have begun to put our house in order and we will emerge from this recession into a more prosperous world just as we have done in the past," he said.

example, likes to point out that it took the United States a century before it ratified the 1925 Geneva protocol banning the use of chemical agents in warfare. (This protocol forbids first use of such weapons, but not their production or stockpiling.)

President Nixon ended the production of chemical weapons in America in 1969, although large stockpiles have been retained both there and in Europe. Despite that decision small amounts of money were allocated for research and development during the subsequent decade.

Last year the chemical weapons budget doubled to \$455m (£245m) and President Reagan is expected to ask for almost twice that amount, \$810m, for 1983. According to officials the Administration has projected a budget of \$1,400m for such weapons by 1984.

Congress has already voted \$23m for a binary weapons plant at Pine Bluff in Arkansas. But American officials have assured NATO that construction of that factory does not commit the President to authorize actual production of weapons.

Binary chemical weapons are so named because there are two primary ingredients of the nerve gas which are kept separate, and therefore safe, until use. The two chemicals become lethal when they are mixed in-flight in an artillery shell or bomb.

The gas comes in two forms. One, called G5, is colourless and odourless and is lethal within a minute when inhaled. The other, called VX, is similar but hangs in the atmosphere for days to deny an area to enemy troops. Both kill by paralysis.

The justification for going ahead with the production of new chemical weapons is that they are needed to deter Soviet use of such weapons in West Europe. It is also argued they are safer to handle than existing premixed chemical weapons, which are beginning to deteriorate.

US defence cost, page 8



Train of thought: Lord McCarthy at Aslef headquarters with Mr Alan Meale, personal secretary to Mr Raymond Buckton, the union's general secretary.

## 'Fight to death' on railways

By David Felton, Labour Reporter

Hopes that the train drivers' union could be persuaded to give evidence to the committee of inquiry into the rail dispute were dashed last night when British Rail and the two unions rejected a formula to gain the footplate men's co-operation.

The Associated Society of Locomotive Engineers and Firemen told Lord McCarthy, chairman of the inquiry, that it would only accept if British Rail made a 3 per cent payment and the inquiry discussed ways of getting the dispute back into the industry's negotiating machinery.

Some industry sources were predicting that the dispute could go on for a long time. "It's now a fight to the death," one said.

Earlier attempts had been made to persuade the train drivers' union to co-operate with an inquiry into

the rail dispute which yesterday closed the network for the twelfth time in four weeks.

Lord McCarthy, the inquiry chairman, had spent two hours with the seven executive members of Aslef who repeated that they were not prepared to give evidence to the inquiry under the current terms of reference.

Lord McCarthy last night reported that view to two colleagues on the committee and officials of the Advisory Conciliation and Arbitration Service, which called the inquiry.

He then called British Rail, the National Union of Railwaymen and the Transport Salaried Staffs' Association, who have all agreed to attend the inquiry to the Aslef offices to explain the Aslef position.

Aslef objects to the inclusion in the terms of reference of the introduction of the 35-

hour working week and the productivity understanding on flexible rostering.

Lord McCarthy will have to move quickly if he is to get the inquiry established because the Aslef executive will be breaking up soon after lunch-time today with members returning to their regions.

Lord McCarthy said after his meeting with the executive: "We are all extremely conscious of the need to make progress and move as swiftly as we can, but we want to get it right."

He apparently told the executive that he was not there to pressurize them into joining the inquiry but to hear in detail why the union had decided against co-operating.

British Rail again failed to run a service from Aylesbury to Marylebone, London, because yesterday the NUR drivers expected to take out the first

train did not turn up. Aslef had mounted a picket at Aylesbury in case any NUR members attempted to take trains out.

Attempts to run a limited service in the Rhondda Valley were also unsuccessful when NUR drivers at the Treherbert depot, Mid-Glamorgan, refused to cross Aslef picket lines.

The British Railways Board yesterday put off any decision on action against Aslef while there was still hope that the inquiry would get off the ground. British Rail will attempt to run a service on days when Aslef is not on strike although that may be difficult next week with the union planning to hold stoppages on Sunday, Tuesday and Thursday. One option is for the board to suspend the 20,000 train drivers on Wednesday because a reasonable service will be impossible.

BR nearly broke, page 2

## £10m riots claim by De Lorean

By Tim Jones

The Northern Ireland Office is investigating a claim for more than £10m in compensation for riot damage from Mr John De Lorean, whose Belfast-based car manufacturing operation, funded by more than £80m of British Government money, is apparently foundering on the rock of the American recession.

The company, conceived by Mr De Lorean to build a "dream car" for the American market, has already received £424,000 compensation out of a claim for £514,000 for fire damage caused to buildings at the plant last May when Republican rioting in West Belfast exploded after the death of Bobby Sands, the hunger striker.

The latest claim, also connected with that night of violence, is understood to relate in part to damage caused by the destruction of company records relating to potential customers' pre-request for compensation for loss of production.

Interviewed by The Times in New York earlier this week, Mr De Lorean said he had made a serious mistake in launching his company in Belfast.

"We had a terrible time producing management team because Englishmen would not work there. We grossly underestimated the magnitude of the problem," he said.

Company premises had been fire-bombed 140 times and company executives had been shot at by snipers many times.

It is understood that the police have no record of any complaint from a company executive complaining of having been shot at, and it appears that police records show that the company was fire-bombed on only two occasions.

This does not mean that Mr De Lorean is wrong in his assessment for it may be that during the two attacks 140 petrol bombs were thrown towards the plant.

The factory is in a neutral zone between the Protestant and Roman Catholic areas and it is entirely feasible that during the tense period of the hunger strike shots exchanged between the two communities passed over the plant.

During that period more than 20,000 petrol bombs were thrown in Belfast alone.

## Lucas Aerospace to shed 1,050 jobs

By Business News Staff

The fabrications division of Lucas Aerospace in Burnley, part of the Lucas Industries group, is to make 1,050 of its 2,800 workers redundant in May.

The company blames the world recession and cuts in defence spending which has hit the aerospace industry by reducing forward orders.

The factory's biggest customer is Rolls-Royce for whom it makes components for the RB-211 engine used on Boeing 747 and Lockheed TriStar airliners.

Burnley also makes parts for the Rolls-Royce RB-199. These are used on Tornados military aircraft flown by the Italian, West German and British air forces, which have all suffered cuts in defence spending.

A statement issued by the company yesterday said: "In the recent past the company has been actively seeking to widen its markets and while a number of these projects offer potential for the future they provide no answer to the immediate problems. Further, any new contracts will have to be won against fierce international competition."

Discussions are being held with trade union representatives to achieve the cuts by

voluntary redundancy and early retirement.

Mr Philip Asquith, chairman of the Lucas shop stewards committee, said: "We have campaigned three times in a past decade against redundancies, and won each time. We shall continue to campaign again."

We do not intend Burnley to become another ghost town in east Lancashire. Lucas made £6m profit over the last two years, and this should have been used to help us over the lean times."

In the year to last July, Lucas Industries lost £21.4m before tax compared with profits of £41m in 1980. But the second-half showed pretax profits of £4m after charging redundancy and closure costs of £19.2, so indicating that the worst of the cutbacks were over.

There has been an upturn on the vehicle equipment side, which bore all the closure costs last year and lost £45.5m, so forecasts were optimistic and it was thought that the group could make about £50m this year.

Lucas shed 10,267 jobs last year reducing the workforce to 53,700. Over the year the group's debt rose 71 per cent.

## Power men reject 7% pay offer

Leaders of Britain's 92,000 power workers rejected a 7 per cent pay increase yesterday.

The offer, from the Electricity Council, was said to be worth about 51 per cent on pay, with the board to suspend the 20,000 train drivers on Wednesday because a reasonable service will be impossible.

But the claim, which matched the rate of inflation, is now likely to be aimed at the miners' 9.3 per cent settlement.

Mr John Edmonds, General and Municipal Workers' national energy officer and secretary of the union's negotiating committee, said: "We have rejected the offer. There was a long argument about financial pressures on the electricity industry and the substantial productivity improvements our members have made over the last 10 years."

"The Electricity Council's offer is no more than an opening shot and leaves us a long way short of a settlement."

The next full meeting of the two sides will be on March 4.

## Surprise at MSC job switch

By Tony Samstag

The Manpower Services Commission has a new chairman to the surprise of both sides of industry. The appointment of Mr David Young, a former adviser to Sir Keith Joseph, is being widely interpreted as meaning that his popular predecessor, Sir Richard O'Brien, whose present term of office ends in April, has been dismissed.

Mr Len Murray, TUC general secretary, said last night that Sir Richard would be missed and that the Manpower Services Commission could only succeed with a chairman who has those same qualities.

A spokesman for the Confederation of British Industry would say only that the appointment is a matter for the minister—Mr Norman Tebbit, Secretary of State for Employment—and was his prerogative.

Privately, however, there was concern that the appointment of Mr Young, who is listed in the 1981 Who's Who as director of the Centre for Policy Studies from 1979, was hardly a portent of a bright future for the commission.

A spokesman for the Department of Employment said: "Some people were also unhappy that there had been no consultation on the appointment and that Sir Richard's age—he will be 62 next week—



Mr David Young: Solicitor and businessman

was being cited as one reason for his replacement by Mr Young, who is 49.

Mr Young, a solicitor, has been an executive with Great Universal Stores and chairman of a property company. He was appointed an industrial adviser at the Department of Industry in 1979 and is special adviser to Mr Patrick Jenkin, the present Secretary of State for Industry.

## Smoking ban hotel banished by RAC

By Annabel Ferriman

A hotel has been refused a listing in the Royal Automobile Club's hotel guide because it caters only for non-smokers.

The RAC, which lists hotels refusing to take dogs or children, says it cannot accept non-smoking hotels because many of its members smoke. The Automobile Association objected to the hotel partly because it refused admission to smokers but also because it served only wholefoods—meat, fish, vegetables, egg and bread with no artificial colourings or preservatives.

The AA have, however, re-evaluated and agreed to inspect it because its third objection, that the hotel had fewer than 12 rooms, had not stopped it listing two other hotels in the same town.

The Leathurst Private Hotel in Bexhill-on-Sea, Sussex, has been owned and run since October by Mr Arthur Hoffman, an accountant, and his wife, Janet, a trained nurse.

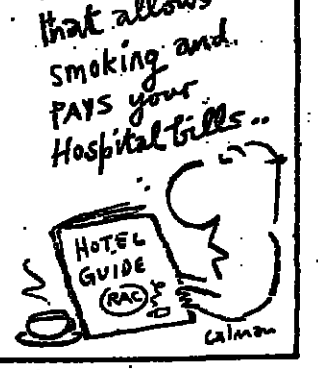
Mrs Hoffman worked as a night sister at the Royal Marsden Hospital, Surrey, one of Britain's leading cancer hospitals, and her experiences as a nurse made her a convinced non-smoker.

She persuaded her husband when they married to give up his 60 cigarettes a day which he had been smoking for 40 years, and both of them strongly dislike the smell of smoke.

Mr Hoffman is incensed by the attitude of the RAC. They are discriminating against every non-smoker in the country. Up to now, men and women have had to put up with someone next to them puffing pipes and cigars. Now they have the chance of not having to do so, but the RAC will not hear of it.

The RAC's letter says: "The report indicates that Leathurst Hotel meets all our requirements for listing apart from the restriction on the acceptance of guests who are smokers."

Here's a Hotel that allows smoking and pays your Hospital bills...



"The Royal Automobile Club cannot accept a hotel for listing or appointment which allows smoking. As a result, guests at this hotel would preclude its use by many of our members who are smokers."

A spokesman said yesterday that the RAC could not include the hotel because it did not have a symbol which denoted a non-smoking hotel.

Britain now has at least 15 non-smoking hotels, according to the anti-smoking group Action on Smoking and Health (ASH), some with such uncompromising names as the Haven for Ashes (Newbury, Cornwall) and the Non-smokers Guest House (Keswick, Cumbria).

There are at least four public houses with no-smoking rules, including one opened in Enfield, north London, in September 1980, by Sir George Young, former Under-Secretary of State at the Department of Health and Social Security, who was keen to promote the cause of non-smokers.

Others are situated at Andover, Hampshire; Rochdale, Lancashire; and Appleton, Yorkshire.

The Good Food Guide, which appears in March, will have a three-page section on restaurants which discourage smoking and the British Tourist Authority has symbols for restaurants with no-smoking areas.

A spokesman for Ash said: "The RAC should create an easily recognisable symbol to use in its guidebook rather than claim it has no symbol and so cannot list the guest house."

"Now that a majority of adults in the United Kingdom no longer smoke cigarettes, organizations like the RAC should respond to this change appropriately."

"The AA has done so. Two insurance companies, Sun Life and Guardian Royal Exchange, both have life insurance schemes with preferential premiums for non-smokers; these were initiated by the AA's insurance brokers."

To non-smokers the RAC's policy does seem inconsistent. Perhaps it subscribes to the W. C. Fields sentiment: "Any hotel that hates dogs and children cannot be all bad."

## Kagan back

Lord Kagan, the founder and chairman of Gannex-Kagan Textiles, who recently completed a prison sentence, signed the roll and took his seat again in the House of Lords yesterday.



Yusufiawati Dini So. 100.

the 1990s, the number of people in the world who are illiterate has increased from 1.2 billion to 1.5 billion. The number of illiterate people in the world is expected to reach 1.7 billion by the year 2015. The number of illiterate people in the world is expected to reach 1.7 billion by the year 2015. The number of illiterate people in the world is expected to reach 1.7 billion by the year 2015.

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Science report  
Bent light  
discovers  
puzzles  
scientists

# Union clash with charity over mental patients

By Lucy Hodges

A dispute flared yesterday between a nurses' union and MIND, the mental health charity, over a case to be heard in Strasbourg today in which the Government again stands accused of denying rights to mental patients.

The Confederation of Health Service Employees (Cohese), which represents hundreds of psychiatric nurses, yesterday accused MIND of making serious threats to the publicity material it issued about the case.

Mr Albert Spanswick, the union's general secretary, challenged the charity to retract its statements "otherwise the quality of their entire evidence in support of their case must be open to serious doubt".

The case, which will be heard by the European Commission of Human Rights, concerns the right of mental patients to sue doctors and nurses over detention, brutality or, indeed, anything. At present they are prevented by law from doing so unless they can show that a person acted in bad faith without reasonable care, and unless they can get the permission of a High Court judge.

MIND hopes to change that. Cohese, the union, however, believes that staff must be protected from violent patients and that Section 141 of the Mental Health Act should not be weakened.

The Government seems to agree with the union and has resisted strong pressure from the charity, which campaigns for patients' rights, to change the law in amending legislation going through Parliament.

Today's case concerns Mr John Ashingdane, a patient who was kept in Broadmoor special hospital for two extra years because local Cohese branches were refusing to threaten to refuse to nurse patients subject to restriction orders.

# Hospital tries the Star Trek technique

From Pearce Wright  
Science Editor, Oxford

Followers of television's Star Trek programme are used to seeing the doctor on the spaceship Enterprise instantly diagnosing some mysterious disease, by discovering a deficiency or excess of the body's chemistry from a hand-held micro-computer with which he scans the patient.

That idea has moved from fiction into fact with the development of a machine which can identify the imbalance of biochemicals in the body without exploratory surgery, blood analysis or, indeed without touching the patient at all.

The apparatus being tested at the Radcliffe hospital, Oxford, weighs ten hundredweight, yet it measures incredibly tiny magnetic fields of individual atoms within separate cells of a particular organ in the body.

Within a minute the Topical Magnetic Resonance machine produces a biochemical assay that is obtained now only from analysing a tissue specimen in a laboratory.

The device is a long way from providing the instant total body chemistry picture achieved in fiction. But it is revealing deficiencies in the tissues of patients suffering from various muscle diseases and provides information to control the treatment of kidney failures, diabetes and thyroid deficiencies.

A more powerful version will be ready by the end of the year to allow examinations of the brain.

They unravelled the structure and function of chemicals involved in different processes at work in parts of the body.

The present machine in clinical use cost about £250,000 and the larger version, for scanning the whole body, about £350,000. The equipment is made by the Oxford Instrument Company.



Peter Jay, chairman of TV/AM which will provide the independent television breakfast service from early 1983, with a model of the studios on the site near the Regent's Canal at Camden Town, London, yesterday.

# Murray's pensions plea

By Lorna Bourke

Pension fund managers should invest more money in British industries, Mr Len Murray, general secretary of the TUC, said at a pensions conference yesterday.

"The nation's pension funds must bear at least part of the blame for the most rapid period of de-industrialisation in Britain's history," he said. "Since abolition of exchange controls in October 1979 there has been a flood of overseas investment by the major financial institutions. Between 1978 and the first half of 1979, pension funds more than trebled the proportion of their available cash flow invested abroad."

The money is helping Britain's competitors build further on their advantages.

"Pension scheme members, employers, pensioners and indeed the funds themselves have a common interest in 1979 there has been a flood of overseas investment by the major financial institutions. Between 1978 and the first half of 1979, pension funds more than trebled the proportion of their available cash flow invested abroad."

# The Tebbit Bill

# TUC battle lines in disarray

By Paul Routledge, Labour Editor

One simple test must be applied to the trade union leaders on all sides of the labour movement who have exploded so belligerently about the Government's latest employment-law reforms: can they provide effective opposition?

It is the Cabinet's calculated gamble that they cannot, and that both Mr James Prior's 1980 Employment Act and Mr Norman Tebbit's Bill now embarking on its parliamentary passage will remain on the statute book.

The assumption has so far paid off. The changes have not wrought havoc on the scale of the ill-fated 1971 Industrial Relations Act. There are two main reasons for this: the recession has done most of the work that might otherwise have been entrusted to the law; and the legislation did not offer such a handy lever for opposition as state registration of the unions did under the Heath laws.

The TUC has organized a successful boycott of state funds for secret ballots on industrial action and the election of union leaders. But it has failed to generate any tangible or widespread sense of grievance on the shop floor.

Mr Tebbit's latest set of proposals brought forth a predictable tirade of abuse but few practical proposals to prevent their application. The TUC seeks an extended boycott to take in the suggestion that there should be periodic testing of employees' opinion on existing closed shops and Government-funded ballots on wage offers.

It seems likely that it will succeed in holding the line on this form of non-cooperation: the TUC carthorse is never more successful than when dragging its feet for a purpose. But on the wider political and economic front, the TUC's show of unity is a shaky facade, and it crumbled when put to the test last week.

The mighty Transport and General Workers wants the trade union movement to pull out of the National Economic Development Council and the other myriad tripartite bodies on which TUC representatives sit down with the Government and employers. When the report of the TUC Employment Policy Committee retaining this option went to the full general council five days ago, there was a scene when Mr Len Murray, the general secretary, described pulling out of the "Neddy" as irrelevant. Mr Bill Keys, chairman of the committee and leader of the print union Sogat (which has a track record of political strikes against Conservative labour legislation) demurred and insisted on it going into policy pot.

This political response will now be considered, along with various proposals for "national" strikes, when the TUC Employment Committee reconvenes on February 18 to discuss what industrial action may be called in the event of a group of workers coming under threat from the Tebbit laws. The view of Mr David Bassett's General and Municipal Workers' Union and some others is that stoppages should be called right across an industry in response to such "attacks". They want the TUC to have some coordination responsibility in calling such disputes. Congress House staff are unhappy at this prospect, arguing that TUC central funds could be put at risk.

There is also an organizational consideration. It would probably not be beyond the bounds of rank-and-file militancy for the TGWU to deliver a national dock strike if there is any repetition of cases such as the jailing of the "Pentonville Five" dockers in 1972 for contempt of previous Tory legislation and its institutions. A stoppage of train drivers, or miners, or steel process workers or printworkers may also be envisaged in such circumstances.

But quite apart from the un-unions of the TUC as white-collar employment, could Mr Terry Duffy, president of the engineering workers, deliver his members, as he appeared to threaten in Sunday's *Week-end World* programme. To be sure, it was the left-wing-led engineering union, the AUEW, that led the battle against the 1971 Act, but it is less than a year since the union's existing moderate leadership was leaning on delegates to the annual policy-making conference to accept state money for the engineers' election ballots in defiance of the TUC's first and most critical boycott.

Had those lay delegates followed the advice of their leaders (they did not) the floodgates would have opened for widespread defiance of the Congress antagonism against Mr Prior's legislation. It therefore requires a major effort of imagination to fit the engineering workers into the hard-line posture of the left.

Behind the televised line-up of union rhetoric lies a certainty of purpose overlaid by an uncertainty over strategy. As old-fashioned custodians of their members' subscriptions, union leaders know what they want to do but cannot yet agree how to do it. It is unlikely that they will be able to respond coherently until the crisis erupts in an industry where they have a strength of organization equal to the threat to their funds.

Mr Murray has laid down: "We don't set out wantonly and deliberately to break the law. But if the law prevents trade unionists from exercising their proper functions; they will say 'I cannot live with this law' and we shall take the consequences that flow from that." The transport workers go further, arguing that "some form of industrial action would be effective". So far, it is jaw-jaw. It will be next winter before the TUC barons at present logging with their mouth can follow with their members.

# Milk banks for babies defended

From Our Correspondent  
Oxford

A leading consultant in child medicine has rejected allegations that premature babies may die if they are fed from breast-milk banks.

Claims were made in *The Lancet*, that milk given by mothers and stored in milk banks could cause fatal infections if given to very small babies.

Dr David Baum is a honorary consultant in paediatrics at the Radcliffe Hospital, Oxford, where he relies on the hospital's own milk bank to feed hundreds of premature babies each year.

Dr Baum, who was appointed by Oxford University to specialize in research in child medicine, rejects the allegations about breast milk banks, which appeared in a letter to *The Lancet* from Dr Herbert Barrie, a consultant paediatrician at the Charing Cross Hospital, London.

Dr Barrie likened instances of giving babies other mother's milk to giving blood transfusions. He claims that some babies may be incompatible to different milk.

Dr Baum replies: "This comparison is particularly unfortunate. He says that 'Dr Barrie has not helped the progression towards a sounder basis in the care of low-birth rate infants.'"

# Motorway protest appeal fails

By Frances Gibb

An attempt to force the Secretary of State for Transport to order a fresh inquiry into the M25 motorway between Witley and Leatherhead, failed in the Court of Appeal yesterday.

Dismissing appeals by two local objectors, Mr Reginald Mayes and Mr John Earl, both of Ashted, Lord Denning, Master of the Rolls, said he had great sympathy for them but their case was not well-founded in law.

The objectors claimed that a public inquiry in 1978 into side-road orders and compulsory purchase orders for the land needed was a "complete procedural mess-up".

They appealed against the dismissal of a previous application by Mr Mayes, a chartered electrical engineer and chairman of the Leatherhead-Ashted Motorway Protest Group, by Mr Justice Hodgson last July.

Mr R. A. Sears, QC, for the protesters, argued that the judge had erred in law in not holding that there had been a breach of natural justice by the inspector's refusal to hear evidence and admissions about the line of the motorway between Witley and Leatherhead or on exhaust pollution.

Giving judgement, Lord Denning said that local people felt that the M25 section between Ashted and Leatherhead would diminish or destroy the amenities.

There had been a good deal of upset and disturbance when the public inquiry into the side road orders opened in May, 1978, and the inspector had been unable to proceed with the inquiry, he said.

The inspector sought guidance from Mr William Rodgers, then Secretary of State for Transport, who said a reconsideration of the route was unnecessary. The inspector then said he would hear evidence only on the issue which had arisen since June, 1978. It was that decision which was the subject of the appeal.

Lord Denning said the minister was entitled not to consider such objections and could tell the inspector beforehand that he was not going to do so.

He cited the case brought by Miss Lesley Lovelock against the North-east section of the motorway two years ago.

"I would adhere to what I said then... the main question is whether Miss Lovelock was entitled to open the second inquiry for the objection she made at the first inquiry. It seems to me," Lord Denning said, "that if a matter has been canvassed at a first inquiry the inspector would be quite entitled to rule that we can't go into that again. It seems that that applies in our particular case."

# TV debate could decide result

From Richard Ford, Dublin

**IRISH ELECTION**

hey's personal rating had fallen from 44 per cent to 22 per cent.

Paradoxically, 60 per cent of those polled thought Fianna Fail would form the next government, irrespective of their own preferences.

Fine Gael depends on the Labour Party maintaining its 15 seats. The prospects this time for Labour are looking increasingly bad as internal dissent continues to hamper their electoral effort.

Mr Brendan Halligan, Labour's former general secretary and one of the party's leading anti-coalitionists, who was to have run in Dublin seat, has decided not to stand. He is among those who are seriously dissatisfied with Mr Michael O'Leary, party leader, and the way he handled the argument last week over whether the party should have a joint strategy with Fine Gael for the campaign.

The party's problems have also increased with the retirement from politics of two senior members, Mr Brendan Corish and Mr James Tully, the former Minister of Defence. In working-class constituencies, the harsh measures in the Budget have increased pressure on Labour candidates.

Faced with debts from last year's campaign, both Fianna

64.8%

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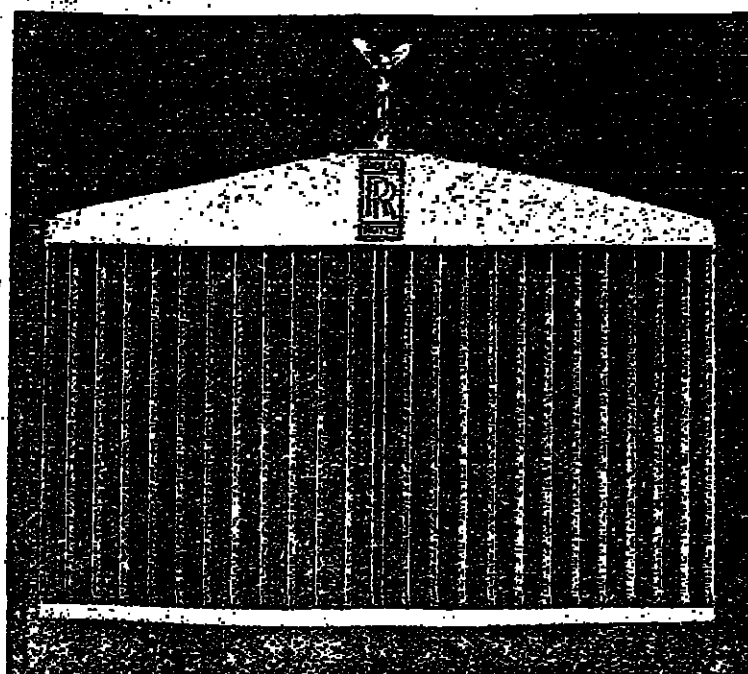
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 Sir Ernest Tate  
 Admiral of the Fleet Lord Beatty  
 Jack Benny  
 The Aga Khan  
 Viscount Curzon  
 Rudolph Valentino  
 Horatio Bottomley  
 General Foch  
 Air-Marshal Lord Trenchard  
 William Randolph Hearst  
 Prince Alexis Orloff  
 General Sir Douglas Haig  
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# £50m a year state grants to help immigrants

## SCARMAN REPORT

It was wrong to suggest that special measures to promote equality of opportunity for minorities would give some people an unfair advantage over the rest of the community, Lord Scarman, Under Secretary of State, Home Office, said in a debate on the Scarman report on the Brixton riots.

We are not (he said) dealing with reverse discrimination which would involve such matters as job quotas, or lowering standards of recruitment for certain occupations. What is needed is simply to ensure equality of opportunities.

He said that in the report there was no excuse for street crimes and mugging and no question of impeding the police in their task of dealing with crime. Lord Scarman had not hesitated to describe the disorders as riots.

The work of the police needed to be reinforced by the support of the community. The functions of the police remained the prevention of crime, protection of life and property, and the preservation of public tranquility. To strike the right balance between these duties required great discretion on the part of each individual police officer in the diverse society of today.

There had been some progress in recruitment from ethnic minorities but further steps must be taken. They must ensure that applicants were not unconsciously discriminated against. New tests would be introduced independently before they were introduced.

The Home Office was discussing the report with the London Education Authority the possibility of providing suitable English courses for ethnic candidates. They were setting up a special study to see how ethnic minority recruitment could be improved.

The Home Office fully accepted the importance given to police training by Lord Scarman. The Training Committee met on January 28 to decide how to tackle the report's recommendations and was to meet again in the autumn to review progress.

The Home Secretary (Mr William Whitelaw) had clearly endorsed the need for reform of the complaints procedure. The committee had begun an inquiry into complaints against the police and hoped to complete it by Easter. The Home Office would wish to take the report into account before proceeding further.

Keeping law and order was the responsibility of all and effective cooperation between police and public should be the more effective protection of crime and the better protection of the public. A process of consultation about this had begun. It included a programme of visits by officials of the Home Office to study the informal consultation arrangements which existed in some police forces and police authorities how the liaison committees envisaged by Lord Scarman might function.

One of the problems the report identified was that of racial disadvantage. The Government was committed to ensuring full equality of opportunity for everyone in the country irrespective of race, colour or religion.

One way of achieving this,

while assessing more accurately the extent of racial disadvantage was by placing greater emphasis on monitoring the position of ethnic minority communities. They must have the information available to take effective steps to try to remedy racial disadvantage.

One of the changes proposed was to grant payable to local authorities under section 11 of the Local Government Act 1966. When this provision was first introduced it was in the context of expectation that any disadvantage experienced by people newly arrived in Britain would be short lived, and that the need for grants of this kind would diminish and eventually disappear.

We now know (he said) that this has not proved to be the case. We therefore decided to abolish the so-called 10-year rule under which grant is payable in relation only to those Commonwealth immigrants who have been here for less than 10 years.

Under the new arrangements it would be possible for the grant to be paid in respect of all first generation Commonwealth residents no matter how long their residence here, and the grant would be payable to their children.

The Government was providing more than £50m a year in grants under section 11, which was a great deal of money. It was also proposed that there should be a substantial increase in the urban programme allocation for the next financial year. It would be increased from £210m to £270m.

Black businessmen sometimes experienced difficulties in obtaining necessary financial projects. In discussions with the Department of Industry, the response of senior bankers had been constructive and encouraging. They had been encouraged to positive initiatives from the banks, and help black businessmen improve their skills in withstanding finance, and from business relationships with the banks.

Lord Elveston-Morgan, for the Opposition, said Lord Scarman had said racial disadvantage was a disease of the community and a significant causation in the Brixton disorders.

It was a disease deeply embedded in the life of the community and like every serious disease it could not be cured by minor applications of ointments to the surface of the skin. It was a disease of the blood and bone and affected the whole of the constitution.

In the last two years the Government had withdrawn £50m from the inner cities by their changes in the rate support system. Was the Government prepared to cancel out that withdrawal by extending and increasing the rate support system to these most vulnerable areas?

There was a call for two basic conditions—an adequacy of finance and a fully coordinated approach to the problems.

Lord Scarman recommended that there should be a meeting of police force who were thought or suspected to harbour deep racial prejudice, and this should be made a specific disciplinary offence.

Lord Wigoder, for the Liberals, said the police in future should be recruited in such a way that they represented a substantial extent all sections of the



Runcie: People not peaceable

Wigoder: Careful training

community, including the ethnic minorities.

He would not be as hesitant as the Government or Lord Scarman in considering the case for some degree of reverse discrimination to ensure that ethnic minorities were adequately represented in the police.

This should not be done by a lowering of the necessary standards, but by engaging suitable applicants and training them carefully and specifically so that they could reach the necessary standards and thus become fully-fledged members of the force.

The Archbishop of Canterbury, Dr Robert Runcie, said that he accepted the idea that violence, wherever it occurred, whether at Tottenham, Bristol or Brixton, could ever be simply explained in terms of bad economic and social conditions which could be improved by the appropriate injection of government will and money.

Unemployment and bad housing certainly played a major part in fuelling discontent which erupted into violence. It could not be complacent about a situation in which 65 per cent of black youth in Brixton was unemployed, 12,000 households there were living in overcrowded conditions.

However, men and women were not naturally peaceable and law-abiding. No matter how good the communications, nor how restrained the police, force was also sometimes inescapable.

We must help the police in their difficult and sometimes dangerous work (he said) by pretending that if only certain procedures and reforms were adopted, the problem of violence would be painlessly solved.

There is a danger of the police sealing themselves off from open debate because of defensiveness and cynicism at critics who do not acknowledge that law enforcement must involve force and that police officers in the real world have to choose between evils on many occasions.

While they waited for the promised legislation on statutory liaison committees, the coming months would be crucial for building confidence in the kind of consultation machinery the Government had in mind.

Whatever might be the pros and cons of reverse discrimination, special effort should be made to give deprived sections of the community, whether black or white, education and training opportunities to enable them to compete on an equal level with young people in more prosperous areas.

The churches were determined not to abandon the inner city and retreat to suburbia. In the light of the report they would be seeking ways of extending and consolidating Christian work in education, youth, and voluntary services as well as helping to change the social and economic conditions which groups had of each other and challenging the mythologies which had been created.

The need for action at

government and at local level was urgent.

Lord Long, for the SDP, said that piecemeal implementation of the recommendations of the report and rejection of others would not do, although he had reservations, particularly about the recommendations of the sanction of dismissal against a police officer for racially prejudiced behaviour.

He had received from the Bishop of Liverpool a quotation which he accepted and which he would be passing on to his constituents. It was: "We have always had bad housing and few jobs. We have learnt to put up with them, but please get the police off our backs."

He (Lord Hunt) had received similar statements from community leaders in Brixton. There was no doubt that minority feelings were running in that direction. It was essential, however, to remember the social and economic and criminal situations in which the police had to operate in Brixton, Tottenham and other cities.

Implementation of the report must be broad-based.

There was a need for urgent action on the Scarman report. They would count even greater disasters than occurred in Tottenham and Brixton if they did not heed that report now.

Lord Rawlinson of Ewell (C) said that despite the passages in the report on the efforts of the police and the difficulties they faced, the impression of under-assessment of the difficulties of the police and the justifiable anxiety of the minority leaders in Brixton. There was a need to change the law and the difficulties they faced, the impression of under-assessment of the difficulties of the police and the justifiable anxiety of the minority leaders in Brixton.

The television authorities were motivated by a determination to entertain and sensationalize. The increase in violence in society was not a little due to the attitude of the television authorities on these matters.

There had been a deplorable decline in the quality and amount of news reporting, especially by the BBC. The reduction of it had been much reduced. Unless it was stopped it could lead to a further decline in the quality of the news from the control of the corporation and the vesting of it in a separate entity, as was done with independent television.

There was no right to ethnic minorities for changes in the rule of law of the host country. They must be prepared to change and to accept the laws of the host country. The report had dismissed the question of a new Riot Act. He hoped the Home Secretary would consider in greater depth than in 1968, that if the link had not been cut, it would be a principle of "disperse or be arrested".

Firm and resolute leadership from the Home Office (he said) was needed and the strengthening of the police; and the demonstration of society's determination not to be overcome by those who do not like the law, do not keep it. Ministers should stand by the men and women in the first line of the defence of liberty. (Conservative cheers.)

# Shortage of farms to rent

## AGRICULTURE

The continuing decline of the tenanted sector of farming was a matter of concern, Mr Peter Walker, Minister of Agriculture, Fisheries and Food, said. He added that he had received representations from a number of individuals and organizations, including the National Farmers' Union and Country Landowners' Association, and with his colleagues were considering what action should be taken in the future.

Mr Peter Temple-Morris (Leominster, C): The decline of the tenanted sector is potentially dangerous for the future. It is important to the President of the NFU that he will press for legislation on this matter in the next session of Parliament and use his considerable talent to press vigorously in this direction.

Mr Walker: We will consider the proposals that have been made and have discussions with the NFU. It is important to get a situation in which there is a permanency of arrangements in the landlord-tenant area which can extend the opportunity for young farmers in the future.

Mr Gavin Strange, an Opposition spokesman on food, agriculture and fisheries (Edinburgh, East Lothian, C): Although the Opposition cannot support proposals which would weaken the security of families of future tenants, we are concerned about escalating farm rents.

Would he consider introducing an early piece of legislation to limit the rate of increase of rents which are doing so much harm to agriculture?

Mr Walker: I hope he will consider the immense frustration of young potential farmers throughout the country because of the total lack of availability of rented farms. The sort of policy which says that we just want low rents is not a realistic one.

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Mr Peter Hardy (Rother Valley, Labour, C): It is desirable for the NFU and CLA to talk about tenancies, it might be useful if they and the Ministry could look at the possibility of increasing the scale of farming amalgamations.

Mr Walker: The two are closely connected. If when a farm becomes available to let it is taken into account, it is very situation that he talks about. I have to try to find a fair and sensible system between both sides which is good for young farmers.

Overfishing by Danes is attacked

Reported over-fishing by Denmark was regarded by the British Government as a serious matter, Mr Alick Buchanan-Smith, Minister of State for Agriculture, Fisheries and Food, said. The British Government had made its view plain to the European Commission.

The only settlement in negotiations for a common fisheries policy would be one acceptable to all concerned. The settlement had been made on marketing, on conservation and on the Community's reciprocal fishing arrangements with certain third countries, including Norway. The next meeting of the council of fisheries ministers was expected to take place in March.

Mr Albert McQuarrie (East Aberdeenshire, C): Denmark has over-fished in the North Sea for herring by 10 times the quota, by 11,500 tonnes against 1,000 tonnes. What action will he take

at the Council of Ministers meeting in March about this breach of the fishing regulations?

Mr Buchanan-Smith: The Danes is something which we regard as deeply and utterly unsatisfactory. We are not waiting for the March meeting and have already made our views absolutely plain to the Commission.

This simply underlines the necessity of getting a common fisheries policy, with proper policing and proper control to prevent this kind of thing taking place.

We do not (he said later) want just any settlement. We want a settlement that is satisfactory. In the short run we have to get down to dealing constructively and satisfactorily with the remaining issues.

Dutch must wipe out advantage

Positive proposals from the Dutch Government on the elimination of unfair advantages for their horticulturists through of gas subsidies are expected at the next meeting of the EEC Council of Agriculture Ministers.

Mr Walker, Minister of Agriculture, Fisheries and Food said. Asked by Mr Michael Latham (Melton, C) what progress had been made on the issue, and facing criticisms from Conservative, Labour and Liberal MPs on the Dutch Government's proposal that at the last meeting of the Council of Ministers virtually all member states pressed the Dutch Government for an elimination of the gap between industrial and horticultural tariffs operating in Holland.

This matter is on the agenda of the meeting of the Council of Ministers on February 15. I expect some positive proposals to be put and I hope the elimination of this unfair advantage to the Dutch growers.

Mr Latham: Since the real answer is that no progress has been made at all, and Mr Walker has had to introduce welcome measures to protect our growers being destroyed, will he make it plain to the Dutch that if they want to play it tough and rough so can we? (Cheers)

Walker: National aid to continue

Mr Walker: I have no doubt that the Dutch Government do not come with firm proposals on February 15 on the matter, they as a government will immediately be taken to the European Court. That is a correct procedure to pursue.

We have introduced national aids in the interim and it is certainly my policy to see that until this matter is settled, these national aids continue.

Mr Gerald Howells (Cardigan, L): When does he expect British producers to compete on equal terms with the Dutch?

Mr Walker: I hope in the very near future the situation will be a situation where this gap already existed. No progress of any description had been made. If this gap is eliminated in the near future, it will be a considerable and important progress.

Mr Mark Hughes, an opposition spokesman (Durham, Lab): This procrastination on Mr Walker's part and, on that of the EEC

# Sex shop licensing approved

## PORNOGRAPHY

The new system for licensing sex shops and cinemas was approved during an all night sitting in the Commons when Lord Scarman's Bill completed its passage.

Several MPs criticized the reference in the new regulations which would allow local authorities to license premises where films are shown or books are sold which deal with "sexual activity" associated with pornography.

Mr Timothy Raison, Minister of State, Home Office, said that the Bill was intended to give local authorities the power to regulate the use of premises where they believed are in contravention of advertisement regulations.

MPs also agreed to amend new clause designed to tackle the nuisance of fly posting. It gave district councils or London boroughs power to remove or obliterate any placards or notices displayed in their area which they believed are in contravention of advertisement regulations.

Marginal land surveys are completed

The marginal land surveys in the United Kingdom have been completed and the Government is considering the use for national parks of the "less favoured areas" that might be submitted to the European Commission.

Mr Peter Mills (West Devon, C): There is tremendous economic benefits to the rural areas if this went forward quickly. With the help of the Government, through roads and buildings, it is important to increase home food production from marginal land.

Mr Fennell: As soon as the results have been fully examined and the interested parties have been consulted, the case will go to the European Commission.

It does need careful consideration. But the Government will watergate case as soon as possible. The National Farmers' Union have agreed to this approach.

Mr Fennell: I accept his comments, but have always said there is no Government commitment to provide funds for areas which are designated. The first step is to put the case to Brussels.

Britain to sign salmon convention

Progress towards establishing a convention to control salmon stocks in the North Atlantic was reported in a written reply by Mr Alick Buchanan-Smith, Minister of State for Agriculture, Fisheries and Food.

He said that the interested parties, including the European Community, had adopted the text of a convention which would be opened for signatures on March 2.

When it came into force the convention would provide for the first time an international forum for the control of inter-species fisheries, and would prevent the establishment of new maritime fisheries by the adhering parties outside the 12 miles coastal limit.

The United Kingdom would therefore support Community membership of the convention under appropriate conditions. He also welcomed the decision that the headquarters of the new organization would be in Edinburgh.

Need to set an example

The Speaker, Mr George Thomas, in a statement said: There has been a great deal of publicity about (Thursday) about a word which was used last night.

As long as I am Speaker, I shall consider that an unparliamentary expression used in the House of Commons is an offence. I hope this House can maintain a better example to the country.

Parliament today

Commons (9.30): Private Members' Bills: Planning Inquiries (Attendance of Public) Bill and Death-Gate Increase Bill, second readings.

Mr Gregor Mackenzie (Rushmore, Lab): The Government had the will it would be possible to implement some of the legitimate aspirations of old age pensioners. By desisting that wealth creators in the Government had destroyed the means by which the elderly could be paid a fair pension.

Mr Andrew Bowden (Brixton, Kempton, C) said he could support neither the motion nor the Government amendment. He said the Government had destroyed the means by which the elderly could be paid a fair pension.

For the first time since 1948, the Government would be able to carry out a systematic and rigorous corporate review of policy.

The fifth initiative was on joint financing, which had made a big contribution to promoting community care. Through the scheme, NHS was used to support and enhance community care provided by social services authorities and voluntary organizations.

From just over £2m in 1976-77 joint finance had now risen to over £75m in this financial year. A further increase was planned next year bringing that total to almost £85m.

Forty per cent of joint finance was spent on services for the elderly. But the scheme did not go far enough. There were still many in hospital who need not be there, including many of the elderly.

The Government had sought the views of interested bodies on further ways of moving resources from health to personal social services. Through the scheme, NHS was used to support and enhance community care provided by social services authorities and voluntary organizations.

One involved making the joint financing arrangements more flexible. The other was intended to move people more quickly out of hospital into community care.

The Government wished to consider other suggestions and he hoped to announce a conclusion shortly, later this year.

While appreciating the concern of organizations like the National Pensioners' conventions, he was not prepared to make promises that could not be kept. It would cost £11,500m to raise pensions by the amount suggested in the conventions' major grant to the public would give no credit if problems were disguised or hopes raised that could not be fulfilled. The majority of people wanted sufficient income.

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Foot pledges repeal of Tebbit Bill

The Employment Bill represents a vicious attack on the rights of trade unionists and their trade so it would be repealed by the next Labour Government.

Mr Michael Foot, Leader of the Opposition, promised during business questions.

The Opposition intended to do everything in its power to delay the Bill in Parliament and to fight it generally. He told Mr Francis Pym, Leader of the House, that the Government would be repealed it would be better if the Government withdrew it now but the committee stage should at least be held on the floor of the Commons.

Mr Pym: His Government will repeal the Industrial Relations Act with disastrous results (Conservative cheers). I have stated that the Government is the Government's intention to proceed with this Bill in committee in the normal way and in exactly the same way as the Government intend to do in a similar area.

Mr Pym later said the only thing that would really be helpful in the rail dispute would be for it to end. In the meantime, a Commons debate would not be helpful.

He also indicated that the death grant was under consideration. But the Government was not in a position to make an announcement.

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Public sector pensions being sorted out

The Government's aim was to ensure that pensions for public servants were fair to taxpayers and their dependants. Mr Thatcher the Prime Minister, said during questions.

She added: We are trying to sort out the whole matter of conditions of contributions for the many different groups of public servants—civil servants, police, firemen, etc.—and we are not prepared to make promises that could not be kept. It would cost £11,500m to raise pensions by the amount suggested in the conventions' major grant to the public would give no credit if problems were disguised or hopes raised that could not be fulfilled. The majority of people wanted sufficient income.

Mr Thatcher told him she had no announcement to make about this and would be surprised if there were an announcement tomorrow (Friday).

# Next week's business

The main business in the House of Commons next week will be:

Monday: Employment Bill, second reading.

Tuesday: Transport Bill, second reading.

Wednesday: Motions on Rate Support Grant (Scotland) Order and the Housing Support Grant (Scotland) Order. Harbours (Scotland) Bill, second reading.

Thursday: Debate on an Opposition motion on overseas development.

Friday: Private Members' Bills: Cinematograph Bill, Garden Supplies (Sunday Trading) Bill.

The main business in the House of Lords next week will be:

Monday: Antiquities Bill, second reading. Debate on report of the EEC committee in annual conference.

Tuesday: Shops Bill, second reading. Debate on personal savings and the housing market.

Wednesday: Debate on green paper, Alternatives to Domestic Rates.

Thursday: Deer (Amendment) (Scotland) Bill, second reading.

## BL saves £100,000 on water bill.

As their entry for a competition run by the Engineering Industry Training Board, three BL Cars apprentices have devised a system that will cut down the volume of water used at Longbridge, home of the Mini and the Metro.

Their scheme won Keith Millward, Guy Johnson and Martin Scott a place in the National finals of the competition.

It will cut the water bill at Longbridge by 20%—£100,000 per year—and an estimated £1 million a year if applied across the group.

©BL Fighting back

# Five Government moves to ease lot of elderly

save £500m by having cut this link, and a large proportion of this money would be lost by retirement pensioners.

Mr Norman Fowler, Secretary of State for Social Services, announced as part of a package to provide more Government help for the elderly, setting up a new expert committee to examine homes within the National Health Service.

They will be in Portsmouth, Fleetwood and Sheffield and it is hoped that two will become operational within the next 18 months and the third shortly after.

Mr Fowler, speaking in a debate on the pensions and living standards of the elderly, said the Government's other proposals included a new registration system to improve standards in private and voluntary old people's homes and increased Government grants to voluntary organizations helping the elderly.

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## Sex victims volunteer for jail talks with rapists

By Peter Evans, Home Affairs Correspondent

Women victims of sexual attacks have volunteered to meet rapists in Maidstone prison, Kent, so that they can understand better the serious consequences of their crime.

The once-weekly sessions were praised yesterday in a report on Maidstone prison by the Chief Inspector of Prisons.

The women counsellors at these sessions are voluntary associates, volunteers who help the probation service. They take part with groups of six prisoners to talk about their feelings as victims of sexual attack. A probation officer and two uniformed prison officers also attend. A prisoner goes to the group until officers feel he has learnt all he can. According to the Home Office the men taking part are "generally naive, inadequate people with little understanding of the opposite sex or sexual matters." The scheme is one of a number described in the report as impressive and is designed to make prison treatment more positive.

By allowing men to talk to victims the intention is, to try to prevent the prisoners fantasizing about women as sexual objects. The probation service has also set up an Alcoholics Anonymous group.

The sex offenders are from a special wing which brings together 100 men from various prisons who have asked to be segregated because the nature of their offences might lead to attacks by other prisoners.

The report describes the "real achievement of providing a comparatively good quality of life and freedom from intimidation for 100 men who would otherwise have a miserable existence elsewhere."

Miss Joan Lestor, Labour's spokesman on women's rights, yesterday called on Mr William Whitelaw, Home Secretary, to set up police rape squads. (The Press Association reports).

She also demanded changes in police procedure for questioning rape victims. In a letter to Whitelaw, Miss Lestor, MP for Eton and Slough, said rape squads similar to those in some cities in the United States should be established in Britain.

"I very much encourage you seriously to consider the possibility of setting up specialized training for officers in this country, especially in the Metropolitan area, along similar lines to the existing bomb and drug squads," she said.

Miss Lestor said women should have to make only a brief statement before being examined.

Miss Lestor also insisted that a full statement should be taken only after the woman had had a chance to rest and advised of the possibility of a friend remaining with her.

An anti-rape campaign was started yesterday aimed at warning nurses, to take special care and be extra alert. The campaign, launched by the Nursing Standard, says nurses are at high risk of sexual attack. It wants health authorities to increase security.

Edward Dubois, the "Brixton rapist", who followed young women to their homes and then attacked them, was jailed for nine years at the Central Criminal Court yesterday.

Judge Mason told him: "During the period of these offences no woman of a respectable kind in this area was safe from you."

"Who knows what effect what you did may have on them for the rest of their lives?"

Dubois, aged 30, an unemployed squatter, had been convicted of raping three women.

The judge told him: "You were medically examined and it is quite clear there is no mental abnormality on your part. The sentence I pass must reflect the horror of which I have spoken and everyone's sense of public outrage over what you did."

Dubois received three years for each rape, the sentences to run consecutively. He received a total of six months for thefts.

HM Prison Maidstone: Report by HM Chief Inspector of Prisons (Home Office, London, £1.10).



Lieutenant-Colonel George Forty, curator of the Bovington Tank Museum, Dorset, who has launched a campaign to place the armoured vehicle collection under cover to save it from weather damage

## Confusion blamed for death blast

A misunderstanding led to a chemical plant explosion which killed one man, seriously injured another and resulted in a thousand people being moved from their homes, a court was told yesterday.

An employee misinterpreted instructions from a company director after vapours escaped from a still at the Chemstar plant in Sialybridge, and turned the still back on, causing the explosion, magistrates at Dulcield, Greater Manchester, were told.

The court was told that the firm, which admitted failing to ensure its employees' safety would soon be going into liquidation. It was fined £900.

Dr John Newton, for the prosecution, said the explosion on September 6 happened during the "laundering" of 1,200 gallons of highly inflammable hexane chemical, a distillation process which required a perfect supply of water.

Dr Newton said the hot vapours escaped while Mr Norman Halsall, who was purifying the hexane, was helping a lorry driver.

Mr Halsall telephoned Mr John Simon, a company director, and was told to switch off everything and wait for half an hour, Mr Tim Mort, the company's solicitor, said.

But Mr Mort said Mr Halsall misunderstood the instruction and switched the steam from the still back on

## Computer aid for astronomers

By Robin McKie, of The Times Higher Education Supplement

An advanced technique which will allow British astronomers to operate telescopes in other countries and to carry out all normal experiments from computer terminals in this country is to be launched by the Science and Engineering Research Council.

The first stage of the project is to be established at the council's Hawaii observatory with the aim of running the United Kingdom infrared telescope there directly from its administrative base at the Royal Observatory, Edinburgh, in a few years.

A second telescope, to study star formation and interstellar dust clouds using radiation of wavelengths of less than a millimetre, is also expected to be built by the council in Hawaii. A formal proposal recommending the move is to be discussed by the council in the next few weeks.

Professor Malcolm Longair, director of the Edinburgh observatory, said the two telescopes would then

offer British astronomers "a world-beating combination of facilities". Using the satellite link, in combination with Starlink, the national computer display system that connects Britain's main astronomical centres, scientists would be able to sit at a terminal and operate the telescopes, carrying out their research without leaving their departments.

The project is to be set up in three stages. First, a data channel using telephone lines will connect the infra-red telescope, sited on top of the 14,000ft peak Mauna Kea, with its ground base at the town of Hilo, to allow scientists there a limited amount of remote control.

Then a microwave radio link will be set up so the telescope's operations can be run on full remote control from Hilo. In a few years, those will be extended using communication satellites, so that the observatory will run directly using duplicate controls in Britain.

## Calculated scheme to learn maths

From Our Correspondent, Dereham

Children at a Norfolk school are to have to take a special test before being granted a licence to use a pocket calculator in class.

If they subsequently make a bad mathematical error, the licence will be endorsed. Three endorsements will mean a calculator ban until they have passed the test again.

The scheme is the idea of Mr John Kirby, deputy headmaster and a mathematics teacher at Northgate High School, Dereham. He said he was concerned at the effects calculators were having. Children were using them without knowing elementary facts of arithmetic.

The calculator licence will be awarded on passing a numeracy examination.

"The questions will not demand complicated calculations. Just proof that the pupil has grasped the basic principles of the four rules, decimals, percentages, cancelling, fractions and money," Mr Kirby said.

All children up to the fourth year will be covered by the scheme and licences will be renewed at least annually, subject to success in the numeracy examinations.

The licence will be endorsed for an "unforgiveable error", Mr Kirby said.

□ The Cockcroft committee of inquiry into mathematics teaching, whose report was published last week, devotes a whole chapter to the use of calculators and computers in the belief that their increasing availability at low cost is "of the greatest significance" (Our Education Correspondent writes).

It comments on public concern about the use of calculators by children who have not yet mastered the traditional skills of arithmetic, but says that the weight of evidence is that the use of calculators has not produced any adverse effect on basic computational ability. "There can be little doubt of the motivating effect which calculators have for very many children", it says, and calls for the introduction of a national scheme to ensure that each pupil has access to a calculator during mathematics lessons.

The increasing use of calculators in adult life provided an over-riding reason why all secondary pupils should be taught and allowed to use a calculator, the committee says. It recommends that calculators replace logarithm tables.

## NEWS IN SUMMARY

### Leyland workers stay out

Bus and truck workers at Leyland Vehicles' five factories in Lancashire voted overwhelmingly yesterday to continue their two-week strike over planned redundancies, in spite of claims that it threatens the company's future (our correspondent writes).

Of the estimated 5,000 workers crowded into the car park at the Farington works at Leyland, fewer than 100 voted against continuing the stoppage.

Mr Michael Coyne, strike committee chairman, accused management during the 20-minute meeting of waging a war of words in an extensive local newspaper advertising campaign.

"They are expecting the workers to capitulate under all the publicity and using the tactic of not meeting for another 15 days while this happens," he said. "We will be available for 24 hours a day to talk to them about an honourable return to work."

### Judge rewards girl with £30

Helen Brearley aged 16, was praised by a judge at Luton, Bedfordshire, yesterday and given a £30 reward from public funds for her alertness in picking out a thief in an identity parade.

She saw Hugh O'Neill aged 27, of Luton, dash from a shop after he and another man attacked an elderly shopkeeper and robbed him, at knife-point, of £50. O'Neill was jailed for seven years for the robberies on Wednesday.

### Guard hurt in robbery

A security guard delivering nearly £12,000 in wages had his nose broken in an armed robbery by three masked men in Wavertree, Liverpool, yesterday.

### Pubs back research

More than £231,000 has been raised for medical research by 615 public houses throughout Britain in the national InterPub contest organized by the Muscular Dystrophy Group.

### No bail for youth

A youth aged 15 was remanded for a week by Bristol Juvenile Court yesterday accused of the attempted murder of Police Constable Ian Bennett, aged 36 on January 30. Bail was refused.

## Factory sit-in must end

From Our Correspondent, Edinburgh

Plessey, the electronics company, was granted an order by a Court of Session judge in Edinburgh yesterday banning the continued occupation of its factory in Bathgate, Lothian, by members of the work force.

The occupation has been going on since January 25 when it was announced that the factory was to close at the end of March.

A petition seeking an interim interdict named 141 workers including 10 shop stewards. After hearing legal argument Lord Kincaid said: "I am not in a position to judge the action taken by the company, or to judge the policy being pursued. I am concerned with the occupation of the premises." He added that the action of the work force might or might not be politically or industrially proper, but they had not denied at the hearing that the company had the right to prevent the occupation of the premises without their authority.

Three members of the work force appeared.

Mr George Wilson said: "If there is any natural justice, then that justice would be on our side." Lord Kincaid commented: "I do not administer natural justice. I administer the law of Scotland, which may or may not be justice. I can't tell you whether your cause is just — just whether it is legal."

Mrs Anne Moonie said the occupation was the only way to draw attention to their plight.

A meeting of workers afterwards decided to continue the occupation, and hold another meeting at the weekend. (Our Shotts Correspondent writes).

# IF THE FUTURE LOOKS GOOD TO IAL, IT'S FOR GOOD REASON.

There's one company whose aim isn't just survival in 1982.

In fact IAL continues to expand profitably. It is the only

British company actively involved in all of the four major growth areas in the world economy for the eighties.

Aviation services. Medical turnkey and consultancy services. Computers. And communications.

The following good-news stories make a healthy change from reading about the gloom.

### Mapping the ocean floor.

For years Britannia ruled the waves. Now through a majority investment in Ocean Data Systems Inc. (USA) and its wholly owned subsidiary, Global Weather Dynamics Inc., IAL is about to gain new market opportunities in oceanography, meteorology and digital colour graphics display systems.

### A new era in air traffic control.

Last October, the UK Civil Aviation Authority awarded IAL the contract for equipping the London Air Traffic Control Centre with a microprocessor-based voice communications system, IAL Stratus. This will help to achieve even higher standards in safety and efficiency.

### The £150m medical services contract.

Through its associates, the International Hospitals Group, IAL has already started work on a massive £150m medical services contract for the Saudi Arabian National Guard.

### The hotel run by computer.

During the past year IAL has masterminded and financed the development of Maxial, a totally new computer based hotel management system. This technology will meet the increasingly sophisticated demands of the hotel and leisure industries, on a worldwide scale.

### New factories. More employment.

While cut-backs are the talk of other boardrooms IAL continues to expand.

In August our Data Communications Division will be opening a new factory complex near Basingstoke.

Naturally, we are involved in many more new developments: for example, satellite ground processing systems and fibre optics. Of course there are other projects of a sensitive nature that also hold great potential for the company. And thus for the economy.

If you're interested in more facts and figures our Company Secretary will be happy to post you a copy of our Annual Report.

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## NEWS IN SUMMARY

## Creation scientists retreat

New York.—The final note has been sounded in the retreat of the so-called "creation scientists" of Arkansas (Michael Hamlyn writes). The state's Attorney General announced that he was proceeding with an appeal against the judgment that a law requiring balanced treatment between evolution and creation in schools was unconstitutional.

Mr Stephen Clark, the attorney, said that certain parts of Judge William Overton's judgment were in error, but that even if they were not allowed to stand there were three significant legal obstacles to overcome which he would find it impossible to argue against.

## Crash pilots knew about ice

Washington.—A tape from the airliner that crashed into the Potomac River three weeks ago, killing 78 people, suggested that the pilots took off knowing there was ice on the wings, the Washington Post reported.

Transcripts of the voice recorder showed that the pilots of the Air Florida Boeing 737 commented repeatedly on the blizzard. It looked out of the cockpit windows to check for ice or snow on the wings, noted there was some, and then took off.

## Festival rejects Disney film

A Walt Disney film depicting the flight by hot air balloon of two families from East Germany to the West has been rejected by the Berlin Film Festival (Kenneth Gosling writes). No reason was given, a spokesman for Walt Disney Productions said.

The film, *Night Crossing*, is based on an actual incident in September, 1979. It is to have its world premiere in Berlin and is expected to open in Britain in early summer. It is directed by Delbert Mann.

## Missing imam case closed

Rome.—The Rome magistrate in charge of investigations into the disappearance in August, 1978, of Moussa Sadat, the Lebanese Shiite imam, has ordered the case closed, a source in the judiciary reported.

The imam disappeared on August 31, 1978, when he was supposed to leave Libya for Italy on Flight AZ881 of the national carrier Alitalia.

## Poison gas accusation

Berlin, Feb. 4.—A West Berlin firm has been manufacturing illegally a poison gas ingredient and shipping it to Israel, the city prosecutor's office said.

The Ferak Chemical Company was charged with producing thiophosgene, a product used in the manufacture of poison gases similar to those used in the First World War.

## Hospital check on Kissinger

New York.—Henry Kissinger, the former Secretary of State, is in hospital in Boston for what his staff called a routine check-up. He is due to be discharged today to go on holiday.

He has suffered recently from a painful shoulder but is otherwise quite fit, an assistant said.

## Trip to Japan

Paris.—President Mitterrand will make a state visit to Japan next April, at a date yet to be decided. It will be the first by a French President to that country.

## Squabbles over 39-hour week

From Charles Hargrove, Paris, Feb. 4

The French Government decree for reducing the working week to 39 hours and introducing a fifth week of paid holidays a year, has got off to a bad start. Its scope was not clearly defined by the Government, as the Prime Minister himself has admitted, and it is being very differently interpreted by the employers and the unions. Employers are naturally in favour of a restrictive interpretation, while the unions are trying to squeeze the most advantage from the decree and preserve a wide variety of special privileges and "perks", which, strictly speaking, do not square up with it.

The consequence was the outbreak of a rash of local conflicts, strikes and stoppages, of which the most spectacular is the work to rule by customs officers, causing delays and disruption for the past week, mainly to road traffic, but also at airports.

The customs officials have threatened to paralyse traffic if their own, often unwritten, rules are not accepted.

## Mubarak fails to bridge gulf on Palestinians

From Nicholas Hirst, Washington, Feb. 4

Despite a firm assurance of Egypt's commitment to the Camp David peace process, President Mubarak has underscored the deep differences between his country and Israel on ways to solve the Palestinian problem.

After a second meeting here today with President Reagan, Mr Mubarak reaffirmed his commitment to the present Palestinian autonomy talks. "We are determined to pursue our peace efforts until a comprehensive settlement is reached according to the Camp David accords", he said in a formal statement on leaving the White House.

But no new initiatives on how to bring about a breakthrough have emerged from the discussions in Washington. President Mubarak in another formal statement yesterday emphasized that the 1.2 million Palestinians living in Israeli-occupied territory on the West Bank and Gaza Strip had a right to function as a national entity and to self-determination.

This would not necessarily mean creating a nation state, but moving some way towards it and does not accord with the limited autonomy that the Israelis have in mind.

A spokesman for the Israeli Embassy here said today that the call for a national entity deviated from the Camp David accords. President Mubarak since taking office has been trying to heal the break between Egypt and the other Arab nations which had developed over Egypt's rapprochement with Israel. His public statements are regarded as persuading the Arab world that he is searching for a solution to the Palestinian problem with which other Arab states could concur.

Like President Sadat during his visit last year, President Mubarak called last night on the United States to open talks with the Palestinians.

President Reagan, however, reiterated the American promise to the Israelis that negotiations with the Palestinian Liberation Organization could take place only if the PLO agreed to the long standing conditions of accepting United Nations Security Council resolutions and agreeing to Israel's right to exist as a nation state.

□ Tel Aviv: Israel today approved the development of a new generation of fighter-interceptor aircraft to be called Lavie and signed an agreement with Pratt and Whitney for the joint development of its engine (Moshe Brilliant writes).

Known as the PW 1120 the engine is to be based on the F100 produced by Pratt and Whitney for F15 and F16 aircraft. The agreement put into effect a contract concluded last year and signed today by Mr Ariel Sharon, the Defence Minister and Mr Frank McAbee of United Technologies, the parent company of Pratt and Whitney.

The Government alternative approval of the Lavie project was said to have been coproduction of American aircraft, but a squadron of F15, F16 and F18 would be so expensive that the Air Force would not be able to afford enough aircraft, according to parliamentary procurement committee.

□ Mr Sharon told a press conference that the terrorist breaches of the ceasefire were building up, and he said Israel would not accept a return to the situation that preceded the July ceasefire. He said Israel would not initiate fighting but would respond to attacks.

He held PLO headquarters in Lebanon responsible for directing terrorist attacks wherever they occurred.

He said there were 60 breaches of the ceasefire which was arranged in July by Mr Emilio D'Amico, the American special envoy. Half of them were in the South Lebanese strip controlled by Major Saad Haddad, Israel's ally. More than 20 attempts were made to infiltrate from Jordan but most of these were intercepted by the Jordanians. The rest of the breaches occurred in attacks where terrorists attacked Jewish and Israeli institutions.

□ Major Haddad demanded today that the United Nations and Israel halt an increase in Palestinian guerrilla forces in the area (Reuters reports).

He said the number of Palestinian guerrillas had risen in recent weeks from 500 to more than 900 and was infiltrating without any difficulty into the area held by United Nations forces, especially near Tyre where the Senegalese contingent let them through.

Major Haddad said the guerrillas had used the ceasefire made last summer to strengthen their units.

□ New York: Arab states appeared determined today to press ahead with a resolution which could pave the way for Israel's expulsion from the United Nations (Zoriana Pysariwsky writes).

The State Department yesterday issued a statement saying any threat or attempt to expel Israel or any other member state would violate the principle of universality on which the United Nations was founded.

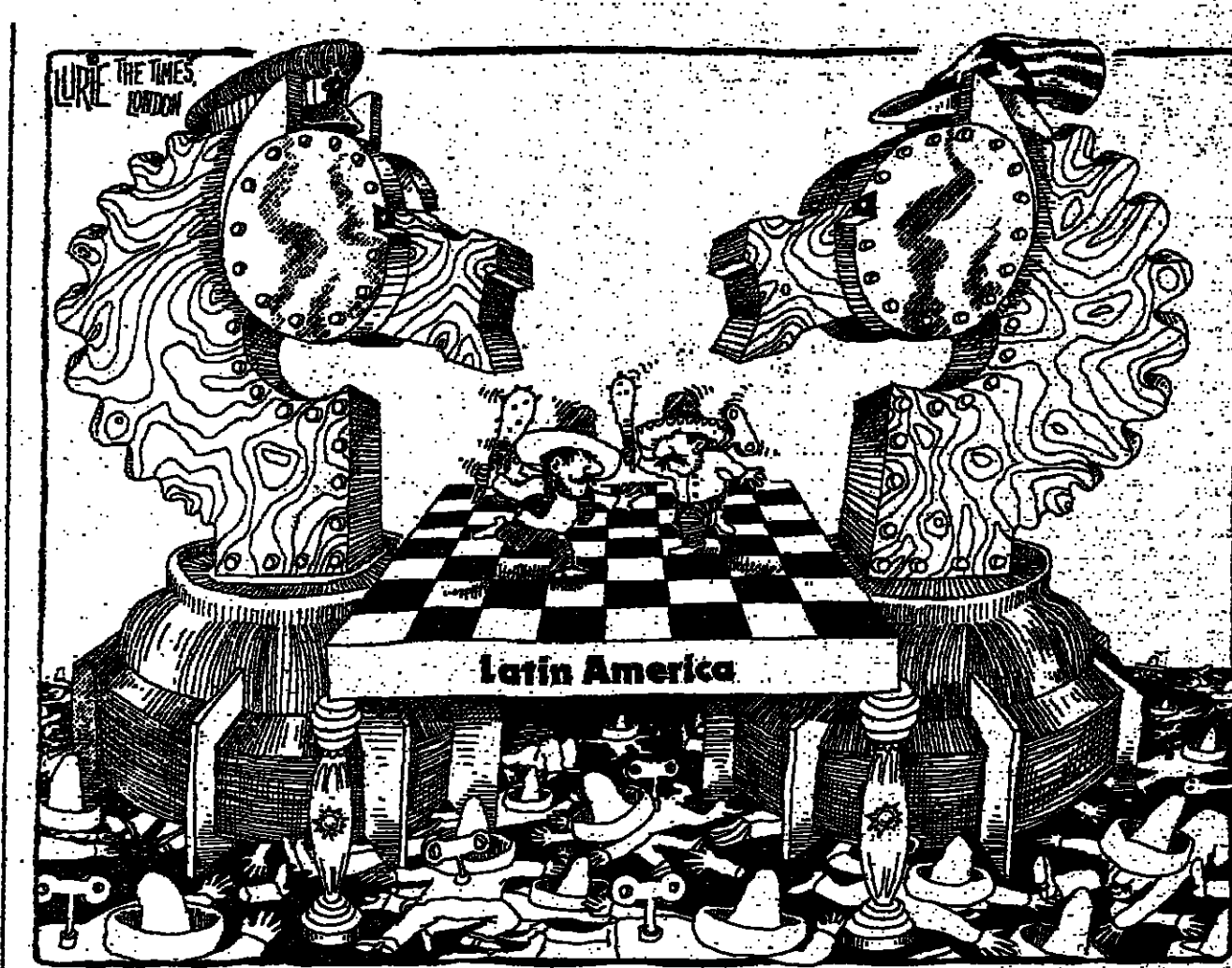
It added that the United States has made it clear that any suspension or expulsion of Israel from the United Nations or any other of its affiliates would have serious consequences for continued American participation in and support for the United Nations.

The statement, however, appeared to have little effect on the sponsors of the draft resolution, which also calls for a military, economic, diplomatic and cultural embargo against Israel.

□ New Cairo style, page 12

Other conflicts have broken out in Paris department stores, in postal services of the Paris region, and in private firms here and there throughout the country, where no agreement has been reached between management and labour on the number of hours to be actually worked.

The long trade union organizations are naturally exploiting the situation to outbid one another. The



## US defence cost put at £113,600m

From Mohsin Ali, Washington, Feb. 4

While President Reagan puts the finishing touches to the 1983 budget which he is to send to Congress next week, his senior officials have been juggling with figures which would appear to raise the level of defence appropriations while not increasing the size of the overall budget deficit.

According to administration sources, the President's budget message will call for actual defence spending amounting to \$215,900m (£113,600m). This amount, which is a record since time of the Vietnam war, is about \$1,000m more than the president had predicted last September.

Additionally, the President will seek an extra \$13,600m in new budget authority for the Pentagon. However, this amount will not actually be spent during fiscal 1983 but will enable the Pentagon to make contracts which would have to be paid in subsequent years.

Mr Casper Weinberger, the Defence Secretary, discussed the proposed increases during a closed session of the Senate armed services committee earlier this week. Some reports of what Mr Weinberger told that meeting gave the impression that the President had agreed to a further increase in actual defence spending rather than in budget authority.

Administration sources said the main effort in shaping the new defence budget had focused on keeping 1983 spending increases in check.

## Spain given advice on rowdies

From Richard Wigg, Madrid, Feb. 4

Perhaps the Basque country traditionally one of the regions of Spain feeling most of good-will towards Britain, does not yet know what is going to hit it when English football supporters descend on Bilbao next June for the first of England's games in the World Cup finals.

So far even the taxi drivers have been seeking to learn some English as the Basque community generally prepares a welcome to an event seen as promising good football combined with good tourist trade.

But tomorrow Mr Neil Macfarlane, the Minister for Sport, will be in Madrid for talks designed to help the Spanish authorities cope with the minority element of hooligans who wreak havoc in and around English football games decide to come to Spain as well.

He will talk to Señora Soledad Becerril, Minister of Culture, who also has responsibility for sport. Mr Macfarlane's trip comes after a visit last month by officials trying to help Britain's experience of the hooligan element.

The hope is that the warning will reach the security officials and police at the game who will be in England and Scotland to play.

Mr Edward Barrett, British Consul-General in Bilbao, commented: "I think we should try and look on the bright side. I reckon the authorities have the full picture by now."

As many as 15,000 British football supporters could arrive in Bilbao for the game, and one idea the local tourist authorities are examining is providing extra accommodation in ships tied up on the Nervion estuary.

The first such measures are relatively uncontroversial. Two help the building industry by cutting value added tax on construction from 17 to 6 per cent and by doing away with capital gains tax on building sites. Another seven measures also tinker with unemployment.

A 24-hour general strike call by the socialist FGTS union for next Monday is expected to receive support throughout the country, while in Wallonia members of the Christian CSC union are planning to defy their executive and join the protest.

## Political motive seen in troop cuts leak

From Nicholas Ashford, Washington, Feb. 4

There are no plans to reduce the 350,000 American troops based in Western Europe in either the short, medium, or long term.

However a proposal to cut back their number and to build up an expeditionary force based in America is one of the ideas discussed from time to time by Nato experts examining ways of streamlining the alliance's military capability.

The fact that such a proposal should have been leaked to the West German newspaper, *Die Welt*, is considered to be a political move by defence experts in Washington. There is considerable discontent with the current course of the administration with the Government of Herr Helmut Schmidt, particularly over Poland.

Suggestions that the United States could be considering a troop reduction to cause him some political embarrassment and provide ammunition to the opposition Christian Democrats.

Despite the strains which NATO is undergoing the administration remains fully committed to it. It is a matter on which even Mr Alexander Haig, the Secretary of State, and Mr Casper Weinberger, the Defence Secretary, are united.

## Tempers rise in trade war

From Ian Murray, Brussels, Feb. 4

Japan's failure to satisfy European demands for more open markets will be studied by the European Commission next Wednesday against the growing background of national demands for protectionist measures.

At the same time three European Commission members will be in Washington bargaining with the American authorities over claims that Europe is dumping unwanted steel and agricultural products on the American market.

It was clear in Brussels today that tempers are rising on both trade fronts as one senior commission official held an informal briefing to tell journalists that if American harassment continued "there will be a good deal of blood on the floor".

He gave a warning that unless everybody stood by the rules "we could relapse into a chaos of bilateralism of the 1930s with consequences of the kind for which many Europeans paid with their lives". So far, however, the trade war is less one of conflicting world powers than of conflicting figures.

Japan this morning produced a new set of numerical assurances that Japan really was doing its best to open its markets. There would be 1,633 items with reduced tariffs between now and 1983, and the reduction averaged 15.6 per cent — a loss in revenue to the Japanese Government of \$200m (just over £100m).

The commission official took nothing like so rosy a view. The drop in the rate for biscuits, he said, would be from 36.5 per cent to 36.3 per cent.

## New terror wave feared

From Harry Debelius, Madrid, Feb. 4

The Basque separatist organization ETA-PM can be expected to resume its campaign of violence soon, a source close to the Basque home rule government said in Madrid today.

It announced in a clandestine communiqué soon after the attempted coup of February 1981, that it was suspending its urban guerrilla activities, on the ground that it did not wish to give coup apologists any kind of justification for trying to overthrow the constitutional monarchy.

In spite of that it kidnapped Dr Julio Iglesias, the father of the popular singer, in Madrid on December 29 and held him for 19 days. Police tracked him down, rescued him and arrested his captors.

ETA-PM then claimed that the kidnapping was not a violation of the truce, since it was carried out to finance the organization's operations and not for political motives.

Mr Romberg also said the Government had seized Zelaya's leading independent radio station, prohibiting circulation of the country's only independent newspaper, and expelled religious workers from the region.

In Managua today, the Defence Ministry spokesman, Captain Roberto Sanchez, claimed the plot had been led by Mr Steadman. Father Muller, a Miskito Indian of

## Hostility to press plan rejected as hysterical

From Michael Hornsby, Cape Town, Feb. 4

Mr R. E. Botha, the South African Foreign Minister, today described as hysterical and premature the hostile press reaction here and abroad to the proposals of the Steyn commission of inquiry into the mass media.

In an interview with *The Times*, Mr Botha maintained that the press coverage of the Steyn report had been deliberately "diced up in such a fashion as to give the impression to the reader abroad that the Government intends to kill press freedom in this country".

"Some papers here obviously expected the Government to rescind immediately, and to clamp down on the press and the Government did exactly the opposite", Mr Botha maintained. "The present hysterical outburst is apparently based on frustration that the Government did not react as expected."

The Steyn report, comprising 100 draft Bills embodying its proposals, was tabled in Parliament earlier this week. If implemented, the draft laws would, among other things, require journalists to be licensed by a statutory board of controls. This has been widely condemned as a means of imposing political conformity.

The Prime Minister's response in Parliament to the Steyn report had been, "very, very categorical and clearly stated", Mr Botha declared.

"He said that the Government could not give a conclusive 'yes' or 'no', that it was a voluminous report, that it required study and that negotiations would take place with the press. Now, can any government adopt?"

It was impossible, Mr Botha insisted, for the Government to indicate what its final position might be.

Mr Botha: Little comfort for journalists.

when it was still only "at the beginning of a process of discussion" to calm the press. Nor would he be able to express any personal view on the Steyn proposals until he knew what the outcome of these negotiations were.

Mr Botha's comment will do little to calm the fears of editors and journalists here who question the motives of the Government in commissioning the Steyn report in the first place and are alarmed that the Government should be prepared even to consider a measure like the compulsory registration of journalists.

The Foreign Minister's remarks tend to confirm the view gaining ground here that the Government's initial strategy was to try and persuade the press to exercise self-censorship while holding over its head the threat of legislation as a weapon of last resort.

The Government's main target is the influential English-language press, which is by far the freest in Africa and keeps up a constant nagging assault on the policy of apartheid. Pretoria would clearly love to see this criticism stifled.

In response, newspaper owners and editors have set up a committee to draw up a plan for remodelling the existing, though largely ineffective, South African Press Council.

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News in Summary

Air crash kills 31 legionnaires

Paris—Thirty-one foreign legionnaires and a five-man French Army crew were killed when their aircraft crashed during a training exercise in Djibouti, a Defence Ministry spokesman said.

There were no survivors when the aircraft struck a mountain in a desolate region of the former French East African colony. "As usual, the legionnaires were of various nationalities but no names were released," the spokesman said. The cause of the crash was not known.

The legionnaires had just started a four-month training tour in Djibouti after arriving from Corsica. Djibouti gained independence from France in 1977 but French military units remain there under bilateral agreements.

Rubik cube world contest



Professor Erno Rubik, who will head an international jury for a world Rubik cube championship this spring.

Rules of the competition are to be announced in March. Professor Rubik said a time limit for solving the puzzle should be set as a condition of entry. The contest is to be organized by the Hungarian Konsumex Foreign Trade company and the Politechnika Industrial Cooperative.

Warship carries Crocker yacht

Port-of-Spain, Trinidad — A yacht on which Michael Crocker, the British yachtsman, was murdered by an intruder on Saturday morning has been taken to Curaçao, Dutch Antilles, on board the British warship Fearless.

Mr Crocker's widow Trisha is to return to Britain at the weekend with the body of her husband which will be buried at Henley of Tuesday.

Greece protests over buzzing

Athens — Greece has protested to the United States over the alleged violation of Greek airspace last Sunday by two American fighter jets, the Foreign Ministry said. The jets buzzed a Libyan airliner south of Crete.

Mr Ioannis Haralambopoulos, the Foreign Minister summoned Mr Montague Stearns, the American Ambassador, and delivered the protest. He then had talks with Mr Abdel Majid Gammoudi, the Libyan Ambassador.

Seoul police hold 11,500

Seoul. — Police have arrested more than 11,500 people in the capital of South Korea in a four hour period (Jacqueline Rediff writes).

Nearly half of those involved committed traffic offences. More than 1,000 were said to be habitual hoodlums, 643 juvenile delinquents, 181 thieves, 104 were harassing citizens, while 4,064 were simply described as "others".

Haiti Cabinet reshuffled

Port-au-Prince — President Jean-Claude Duvalier of Haiti has reshuffled his Cabinet and made several changes in his top military command.

Five of the 15 Cabinet ministers were removed from their posts, three new under-secretaries of state were appointed, and the two top posts at Haiti's Central Bank were changed.

Proll sentence cut

Frankfurt. — The West German Appeals Court reduced by six months the five and a half year sentence imposed two years ago on Astrid Proll, a former member of the Terrorist Red Army Group after her extradition from Britain.

The court ruled that Proll should be punished for her role in one bank robbery rather than two others for which a lower court found her guilty.

ETA shooting

Madrid. — The military wing of ETA, the Basque separatist organization, have claimed responsibility for the shooting on a Spanish naval lieutenant as he was driving in a jeep through Zarautz, near San Sebastian. He is said to be satisfactory in hospital (Richard Wigg writes).

Polish Primate and Pope review crises

From Peter Nichols Rome, Feb 4

The Pope, at his first meeting with the Polish Primate, Mgr Jozef Glemp, since martial law was declared, today reviewed what chances remain of a change for the better in the Polish crisis.

Mgr Glemp was accompanied by two other prelates, Cardinal Kacharski, the Pope's successor as Archbishop of Cracow, and Mgr Henryk Gulbinowicz, Bishop of Wroclaw. The three prelates were speaking with the full authority of the whole national episcopal conference and reflect varying experiences and attitudes.

Wroclaw remains a centre of working class opposition to General Jaruzelski's regime. When Mgr Gulbinowicz left his diocese there were still reports of demonstrations, go-slows in factories and distribution of pamphlets critical of the Government.

The bishop will certainly have reflected this more belligerent attitude while the Archbishop of Cracow is still seen to be more patient. The atmosphere, however, is gloomy.

The nature of the meeting was described today at a high level in the Vatican as a reflection on what has happened and what we can expect in the future. There is now felt to have been sufficient experience of General Jaruzelski's Government to attempt an appraisal of the question of whether there can be hope for better things or whether "there is nothing to be seen but a continuing long black tunnel".

The three prelates went straight to the Pope to begin their talks on their arrival in the late morning and were immediately given to understand that they were the Pope's luncheon guests. The survey will be exhaustive and may last until the eve of the Pope's departure for Nigeria on Friday next week.

This series of meetings has begun dramatically for more than one reason. The Pope is aware that his policy so far

has brought him more expressions of doubt and criticism than practical results. His last detailed survey with his advisers took place at the end of December when Mgr Luigi Poggi, his itinerant nuncio with a special brief of Poland, returned from his visit to Warsaw.

The policy agreed then was that every effort should be made to allow the regime to prove, if it wished, that it aspired to a degree of a autonomy from the Soviet Union that, in the phrase used at the Pope's table at that time, General Jaruzelski conceivably might prove to be another Tito rather than a Russian puppet.

This fundamental decision meant that the Vatican could not even informally approve the United States policy of sanctions in so far as they were likely to hamper the situation still more by making hungry people hungrier.

The tone of the Pope's public appeals in the meantime has shown his growing anxiety with the failure of the regime to take to heart his demands for the recognition of human rights.

The Vatican's answer to allegations of being too moderate towards the military junta has been, and remains, that there is no moderation at all in the insistence on an end to mass arrests without trial and on support for the Solidarity free trade union movement.

This is the field in which the Roman Catholic Church feels that its weight can best be mobilized and so continue its historic role of a leading element in Polish national life in modern conditions. It remains the one institution with great popular support and so the one possible partner if the regime sincerely wants dialogue.

This is a vulnerable position and is one of the reasons, apart from questions of general principle, why the church would welcome the reinstatement of Solidarity as an active force. The fate of the union has been described at the Vatican as the key to the situation.

Zia closes Libyan centres

From Haslan Akhtar Islamabad.

Libyan "friendship centres" in Pakistan have been closed on the orders of the government. They have been operating for some time in Rawalpindi, Lahore, Karachi and Peshawar and are financed with Libyan money.

Their ostensible purpose was to foster closer contacts at people-to-people level. The reason for their closure by General Zia ul-Haq's Government was not disclosed.

Pakistan's relations with Libya since the late Mr Zulfikar Ali Bhutto's Government was ousted in 1977 have been uneasy. Mr Agha Shahi, the Pakistan Foreign Minister, made an unannounced visit to Libya last month the object of which has never been explained.

Pakistan recently recalled 3,000 of its nationals who had been recruited for unspecified "security jobs" in Libya. It has been frequently reported that Libya is harbouring anti-Pakistan Pakistanis and even financing some clandestine activities by the Al Zulfikar Movement headed by sons of Mr Bhutto, who was hanged after his fall from power.



Down to earth at 60 mph

Private Terry Bennett, aged 20, of the United States Army's elite Golden Knights parachute team, fell 8,500ft to the ground after her parachutes malfunctioned.

The tangled main and reserve canopies slowed her descent, but her speed when she hit the ground near Fort Bragg, North Carolina, was still estimated at between 60 and 70 miles an hour. She escaped with a dislocated elbow, two broken bones in her wrist, and a chipped right ankle bone.

Private Bennett, who has completed 850 jumps, said her parachutes bled tangled like "a big bag of garbage". She landed in a ploughed, muddy field which absorbed most of the shock. — Reuter.

Demand for purge of left in China

Peking, Feb 4. — A senior Chinese official called today for a purge of remaining leftists in the Communist Party hierarchy as China planned further reductions in radical influence in its bureaucracy.

Mrs Zhang Yun, a member of the influential party disciplinary committee, wrote in the ideological journal Red Flag that followers of the disgraced Maoist "Gang of Four" still held high positions and were sabotaging party policy.

Mrs Zhang's article was the strongest appeal for a purge to appear so far in China's two-month-old campaign against bureaucratic practices.

Mrs Zhang, one of the few women in the higher echelons of China's leadership, said getting rid of leftist influence was one of the main problems facing the party. She accused many members of using their position for personal gain. She said the problem to a large extent arose because the party, now 39 million strong, had doubled in size during the Cultural Revolution of 1966-76, when leftists held almost total sway.

To support her case, Mrs Zhang quoted a speech by Mr Deng Xiaoping, the powerful

Vice-Chairman, who said in January 1980: "Among party members who joined the party under the extreme leftist line, some have never been educated by the party. They should not be held up as models for the masses and are not up to standard." Mrs Zhang also quoted from a previously unpublished report by the disciplinary committee which attacked corrupt party members in unusually strong terms.

The report also said many officials "have changed from servants of the people to old gentlemen who ride on the backs of the people, tyrannically abusing their powers".

CIA and last days of the Shah



In the wake of the Shah: A supporter of President Bani-Sadr lies dead in the battle for fundamentalism

Seething dissent that Washington ignored

From Michael Hamlyn New York, Feb 4

A fascinating description of the closing stages of the rule of the Shah of Iran is being extracted here from the 13 volumes of documents seized when the United States Embassy in Tehran was invaded. They have now been published in Iran.

One striking feature of the detailed reports from the American diplomats and Central Intelligence Agency (CIA) men is how accurately they reflected what was going on, and how well they forecast the future events.

The public statements of the Carter Administration, and to some extent the official high-level reports being offered by the Ambassador conflicted with the ground-level intelligence reporting and with reports from middle-rank diplomats. Hitherto the CIA has been blamed for providing inaccurate assessments of the Shah's weakness and the mullahs' strength. This is now seen as less than fair to the agents on the ground.

The picture drawn by the documents is of a Shah surrounded by a corrupt and venal court, blackmailing Washington into vastly excessive arms purchases, while a seething religious leadership built up more and more strength in the mosques and bazaars.

Extracts from the documents published in the Washington Post over the past few days show that doubts about the stability of the regime appeared in secret estimates from the CIA and State Department analysts two full years before the Iranian revolution.

They also show that the over-supply of arms to the Shah caused some worrying questions to be asked. For example a major intelligence review drawn up by Mr David Blee in 1976, then the national intelligence officer for the Middle East, said: "Washington does not have a clear perception of the Shah's long-range objectives, for example, why is he acquiring such a vast array of sophisticated military hardware. The Shah states that adequate defences



Peacock splendour: The Shah, his wife and son at the unveiling of the Reza Shah monument to 50 years of the Pahlavi dynasty in 1976.

against communist-equipped Iraq are merely precautionary, yet the placement of new bases suggests other intentions."

The intelligence officers did admit that their information was "poor". But critics have insisted; but the blame must go, the documents point out, to the lack of cooperation they got from the United States military.

The military intelligence arm responsible for liaison with the Shah's huge military machine was extremely loath to pass on information.

Nor were the intelligence men well informed about the simple basics of decision-making within the Shah's Government. Did the Shah decide everything for himself, or did he delegate broad authority to others, are questions that were debated in the documents with no satisfactory conclusions reached.

But where the documents were extremely accurate was in their assessment of the role to be played by the clergy. As early as 1976, a year before President Carter described Iran as "an island of stability", the CIA was reporting "the eyes of the religious leaders, Muhammad

Reza has betrayed an essential element of his role, protection of Islam. The present generation of religious leaders, moreover, seems to be convinced that the Shah, as his father before him, is determined to destroy Islam in Iran."

The CIA even estimated that "probably no more than 10 per cent of the clergy... can be counted as outright supporters of the Shah". These "are probably the least influential of the clergy and are considered by many to be no better than government employees."

More important, the report said "probably 50 per cent are in outright opposition to the Government and are wholly dependent on their popular following for support. This includes nearly every religious leader of any stature".

Another CIA report describes bluntly the near isolation of the Shah and the character of those surrounding him: "The royal court has traditionally been a hotbed of Byzantine scheming. In the Shah's family are an assortment of licentious and financially corrupt relatives..."

Two years later the middle-ranking diplomats and CIA agents were painting an appropriately even gloomier picture. But still, official Washington appeared to be under-regarding them. Mr William Sullivan, the Ambassador, was still expressing optimism in his official cables until late in 1978.

Even after the turning point riots in Jaleh Square in September 1978, when army units and helicopter gunships massacred a crowd of demonstrators, the Carter Administration renewed its support for the Shah.

While Mr Victor Tomseth, the American Consul (who was later a hostage), reported that anti-American feeling was rapidly growing, the Ambassador forwarded much more optimistic assessments.

Mr Tomseth wrote that anti-American sentiment often took the form of: "We have nothing against you personally, but Iranians dislike Americans because 1) You keep the Shah in power; 2) American weapons kill our people; 3) You are a bad moral influence on our children; 4) You do not respect Islam; 5) You have caused inflation and shortages, etc. Several people, out of genuine concern for individual Americans they know, have advised that they leave Iran quickly lest something happen to them."

But Mr Sullivan a few days later reported: "An air of calm has been restored to the cities... but the Shah and the Government face an enormously complicated task of establishing its leadership, creating some sense of confidence in the Government itself, and achieving a popular consensus for its policies."

A month later, and only two months before the Shah's fall, Mr Sullivan wrote: "While it is too early to make definitive predictions, there are encouraging indications that the Iranian crisis may have passed a fever point and opened some prospects for its constructive resolution."

He added: "In the meantime, the Khomeini star seems to be waning."

Kennedy taped Oval office calls

Boston, Massachusetts, Feb 4 — President John Kennedy secretly recorded conversations and telephone calls with world leaders, congressmen and his aides while he was in the White House, Mr Dan Fenn, the director of the Kennedy Library said today.

"I have no reason to think they knew they were being taped," Mr Fenn said of the people recorded in 100 to 140 hours of taped meetings and conversations. The tapes are being examined at the library here in preparation for their release to the public, possibly this summer.

Mr Fenn said 250 telephone conversations and 325 meetings in the Oval Office in the White House were recorded from mid-1962 to November 1963, 15 days before the President was assassinated.

Among those recorded in telephone calls were Marshal Tito of Yugoslavia, General Douglas MacArthur, Dr Billy Graham, the evangelist and Mr Adlai Stevenson, the United States representative at the United Nations under President Kennedy. The list also includes members of Congress, according to an index of the tapes that Mr Fenn had.

The subjects of the conversations included Vietnam, the Cuban missile crisis, the integration of the University of Mississippi and civil rights in general.

"I haven't the vaguest idea why Kennedy used the tapes or saved them," Mr Fenn said. "I hope we'll be able to open some of them early this summer. When they're available, they'll be available to anyone, junior high school students, Arthur Schlesinger or anyone."

Any potentially classified material will be referred to the originating agency, which will decide whether to keep it classified or allow the museum to release it.

Miss Evelyn Lincoln, Kennedy's personal secretary, was quoted by the Washington Post today as saying that the President threw a switch as a signal to her start taping. She would activate either a recorder attached to his telephone or microphones in the Oval Office.

According to the report, the most frequent names listed among participants were Robert Kennedy, the Attorney-General, and brother of the President, Mr John F. Kennedy, and Mr Robert McNamara.

The identities of six of the people Kennedy had spoken to and recorded, as well as the subject matter of their conversations, were blacked out in the log obtained by the newspaper.

The existence of some Kennedy tapes — but not their extent — had been known ever since a statement by Mr Fenn in 1973. The Kennedy family handed over the tapes to the library in 1976.

A secret taping system installed by President Nixon led to his resignation during the Watergate scandal, when it was revealed that the recorded conversations varied from his statements on the affair. Mr Nixon's system, unlike President Kennedy's, was voice-activated, and contained about 4,000 hours of conversation.

GIBRALTAR GUARANTEE IS SOUGHT

From Richard Wigg Madrid, Feb 4

Gibraltar and its future statute as an integral part of Spain would be the central theme of negotiations with Britain starting on April 20. Señor José Pedro Pérez Llorca, the Spanish Foreign Minister, told Parliament in Madrid today.

The talks will open near Lisbon on the subject of Spain lifts its blockade of Gibraltar. Señor Pérez Llorca said Spain would seek guarantees of identical treatment for its nationals with those for the Gibraltarians.

He was reporting to the foreign affairs committee of the Lower House on last month's talks in London between Mrs Margaret Thatcher and Señor Leopoldo Calvo Sotelo, the Spanish Prime Minister.

The Foreign Minister emphasized: "The one thing Spain will not accept of anybody is the possibility to dispose of the future of a territory which is an integral part of Spain and whose future statute will be the central theme."

American social issues, I

Right wingers stir up new busing battle

This article by Peter David is the first of three by Our Washington Staff on social issues facing the American Congress.

A week after hearing President Reagan promise to continue America's "long journey towards civil rights for all our citizens", Congress is bracing itself for a legislative confrontation over the emotionally-charged issue of school busing.

With the backing of conservative Republicans who control the Senate, two senators — Mr Orrin Hatch of Utah and Mr John East of North Carolina — are introducing a Bill which would abolish forced busing in all but a few exceptional cases.

Liberal Republicans and Democrats alike have sworn to oppose the Bill at every stage of its passage through Congress. And civil rights leaders have promised that if it is ever approved the Bill will be challenged in the Supreme Court.

The move against busing is one of a number of proposed Bills which the Republican right wing is pushing rapidly forward in the new session to enact the conservative social agenda delayed last year while President Reagan's economic programme was being steered through Congress.

Busing is high on this agenda because for nearly two decades it has been viewed by liberals as a symbol of racial desegregation, and by conservatives as a specially outrageous example of federal interference with the personal choices of citizens.

The Bill has already been welcomed by the Senate judiciary committee whose chairman, Senator Strom Thurmond of South Carolina, is a leading Republican hawk. Senator Lowell Weicker of

Connecticut, a liberal Republican, intends to use every possible parliamentary delaying tactic to block the legislation in the Senate and marshal public opposition to the measure.

Moreover, the Bill will not even be debated in the House of Representatives unless its supporters can outflank the liberal House judiciary committee by collecting enough signatures for a discharge petition — a rarely used procedure to force debate on a Bill rejected in committee.

Critics of busing say that bringing black children into schools which were previously predominantly white has lowered standards and inflamed the racial tensions the policy was intended to reduce.

Supporters of busing claim the Bill would undermine the Supreme Court's historic ruling in 1954 outlawing racial segregation. And they say that by stripping federal courts of their power to enforce long-standing civil rights laws, the Bill would be unconstitutional infringement by Congress of the jurisdiction of courts.

President Reagan is against identifying too closely with the Bill, although he opposes forced busing in principle. But the President is likely to be dragged into the controversy if the Bill is ever approved.

Mr Arthur Flemming, whom the President recently dismissed as chairman of the Commission on Civil Rights, after it published a report calling for stronger administration support of busing, said the commission would ask the President to veto the Bill if it were approved by Congress. If he refused, the Bill would be challenged in court on constitutional grounds.

GOOD RELATIONS GROUP plc

Notice is hereby given of the appointment of Lloyds Bank Plc as Registrar.

All documents for registration and correspondence should in future be sent to the address below.

G. E. GOODALL, ESQ., M.A., A.C.A. SECRETARY



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## Britain tries to stop Vietnam aid by Europe

From David Watts, Bangkok, Feb 4

Lord Carrington, the Foreign Secretary, has agreed to use his influence in Europe to try to prevent further aid going to Vietnam from EEC countries.

The Foreign Secretary gave a pledge to make that views known when he met Air Chief Marshal Sithi Savetsila, the Thai Foreign Minister, today.

Britain and Thailand share the United States view that no assistance should go to Vietnam while its troops remain in Cambodia. Both France and the EEC Commission have given assistance to Vietnam against the wishes of the Association of South-East Asian Nations (Asean).

France has given aid worth £20m and the Commission gave emergency medical aid to Vietnam last December worth £175,000 through non-governmental agencies. The Commission aid was opposed by five EEC countries.

The French assistance, which has particularly annoyed the South-East Asian countries, was given in the belief that Vietnam should be encouraged to give up its dependence on the Soviet Union.

It comes at a time when the French are assuming a more active diplomatic role in Indo-China and before projected contacts at foreign minister level with Hanoi in the spring. There is speculation among Bangkok diplomats that the French may be contemplating some *démarche* over the future of Cambodia.

The discussions today were largely confined to the views of the British and Thailand about which there is "a broad measure of agreement", both seeing advantage in putting pressure on the Khmer Rouge to join the loose opposition coalition.

The British see the statement of Datuk Sri Mahatir Mohamed, the Malaysian Prime Minister, hinting at withdrawal of support for the Khmer Rouge as a tactical move.

After his meeting with the Foreign Minister, Lord Carrington went on to pay a call on General Prem Tinsulanonda, the Thai Prime Minister. This afternoon he saw Major-General Chaochai Choonavan, the Minister of Industry, being joined later for a plenary session with the eight leading British businessmen who are accompanying him on his tour of the five Asian countries.

Tomorrow Lord Carrington flies to the Cambodian border to see a refugee camp with 40,000 Cambodians; visit Nong Samet settlement of the Khmer People's National Liberation Front, only a short distance from Vietnamese forces; and see a camp holding about 1,000 Vietnamese who have left Vietnam and travelled overland through Cambodia.

At Nong Samet, Lord Carrington will watch a distribution of food and meet British aid workers. Britain and the EEC have contributed more than £30m from public and private sources since the programme to feed Cambodian refugees began.

Britain has recently given £55,000 to the United Nations anti-piracy programme in the Gulf of Thailand. Virtually every vessel carrying Vietnamese refugees is attacked by pirates at some point.

In the afternoon Lord Carrington will visit the northern city of Chiang Mai where he will have the rare honour for a foreign minister of an audience with King Bhumibol Adulyadej.

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## Expulsion hearing for doctor adjourned

From Trevor Fishlock, Calcutta, Feb 4

A British doctor who has been working for two years among the slum and pavement dwellers of Calcutta appeared in court here today to fight a deportation order.

Dr Jack Preger, who is 51 and was born in Manchester, was expelled from India last summer but returned shortly afterwards in defiance of the authorities to continue his work among the poor.

He was arrested and jailed for nine days in August. He has been carrying on his work while the unhurried legal processes have ground on.

A few minutes before today's hearing Dr Preger's lawyer asked him for some money. The doctor refused, saying he had already been given some, and the lawyer announced he was too ill to take the case. The papers were then given to another lawyer.

In the small, dark courtroom, a nightmare of stacked dusty files, the magistrate looked down at the lawyers and said: "This case must be expedited. Do not be sluggish." He then adjourned the proceedings until Saturday.

Dr Preger, who was educated at Oxford University, first came to India in 1979. He had been working in Bangladesh but was expelled after alleging that a number of children sent to Europe for adoption had been used in pornography photographs.

He started working with Mother Teresa's organization in Calcutta and eventually began working on his own, supported by donations from American missionary societies.

Although he had a work permit for some time, the authorities would not renew it and Dr Preger carried on without one until the deportation was served. He believes the Bangladesh Government has asked the West Bengal Government to expel him because he had demonstrated frequently, with placards, at the Bangladesh High Commission office in Calcutta against an alleged trade in children.

I cannot believe that you or your predecessors would have embarked on the present course of action had you known these facts. Perhaps the reason they are not more widely appreciated is that they require collation from several different international sources.

I happen to agree with you, and your colleagues, on a number of important matters. I agree with your own view that educational policy generally needs greater emphasis on value for money, provided that "value" we mean is the rather precise concept of output we mean acquisition of learning.

I also agree that public expenditure must be reduced or restrained, if only because in this country the public sector has now become the main engine of inflation. I agree with the concept of students enrolled on courses leading to first university degree or equivalent qualification. This eliminates some students at some countries' universities, and brings in many of our own students at polytechnics and colleges of education.

Of course there is variation in the quality of a first degree, but unlike you or any of your ministers, Sir, I have taught at universities throughout the world. I have taught American students in hundreds and European students in hundreds.

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No other country comes near the British performance; the nearest is Belgium, with 19 per cent, the lowest developed countries for which there is data are Italy and The Netherlands, both around 7 per cent.

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So you are trying to produce a result indirectly by physically restraining university admissions and thus the number of qualified grant applicants. To accuse a politician of cowardice is like accusing a whore of frigidity. But to accuse a Conservative politician of putting party interest above national interest is to accuse God of sin.

I am sure, Sir Keith, you would not like to go down in history with such a thing as "your head. Please think again."

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Robin Marris steps up the debate on our universities with an open letter to Sir Keith Joseph and a challenging international comparison of the costs of higher education

## Why British graduates are the best value for money in the world

Dear Sir Keith,

I know you are an intellectual person so I am sure you have already read two recent articles in the newspapers concerning your policy of cutting down the universities. The first was in last Sunday's *Sunday Times* and was called "Carry on Cutting, Sir Keith". The next, in this paper on February 2, was called "The Second Battle of Britain".

Both were written by experts from my own university. The latter is an expert in dentist's materials (a senior lecturer, no less); the defender was our Vice-Chancellor. The latter, Dr Anselm Kuhn, believes that most university lecturers are a bunch of layabouts, and who am I to argue that this is not his personal experience? It is not, as it happens, my own.

The Vice-Chancellor argued, forcefully, I thought, that the universities are the essence of our culture. But I have the impression that culture or no you yourself regard them as rather like a Rolls-Royce: good, but also expensive and a luxury our poor nation can no longer afford in the style to which we were accustomed.

I am an expert neither in the manufacture of false teeth nor in the operation of universities. I am, however, something of a minor expert in international statistics on the economics of education. In this capacity I recently decided to put British universities to test. Are they, by international standards, unusually expensive or elitist?

To be honest, I rather expected to find there was at least some truth in such accusations. So great is the force of conventional wisdom that I was genuinely surprised to find that almost every number I could lay my hands on showed the opposite. Please see the table.

I cannot believe that you or your predecessors would have embarked on the present course of action had you known these facts. Perhaps the reason they are not more widely appreciated is that they require collation from several different international sources.

I happen to agree with you, and your colleagues, on a number of important matters. I agree with your own view that educational policy generally needs greater emphasis on value for money, provided that "value" we mean is the rather precise concept of output we mean acquisition of learning.

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Of course there is variation in the quality of a first degree, but unlike you or any of your ministers, Sir, I have taught at universities throughout the world. I have taught American students in hundreds and European students in hundreds.

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No other country comes near the British performance; the nearest is Belgium, with 19 per cent, the lowest developed countries for which there is data are Italy and The Netherlands, both around 7 per cent.

As a result of this striking discrepancy the real cost of producing a British graduate is well below the European average. (Please see the table, unfortunately statistics are not available for comparisons with North America and Japan.)

It might be argued that these numbers merely mean that British universities produce inferior graduates. I doubt that you or any other reasonably informed observer would seriously entertain that explanation.

The reason such a high proportion of British students graduate every year compared with other coun-

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In some other countries, drop-out rates are as high as 50 per cent and average time for successful students is as much as six years.

Elitist? Yes, we do indeed have the lowest enrolment of first-degree students of any developed, non-communist country. Whether this means we are elitist depends on concepts. In my view, a student is a unit of work in progress. The product is the graduate. In the most recent year, 1978, for which I can obtain comparable data from other countries (see table), Britain produced approximately 1.76 new graduates for every 1,000 inhabitants. The world average for the 13 countries in my table was 2.18. The European average (10 countries) was 1.53. The average for North America and Japan was 4.20.

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1978 Figures

	First-Degree Students per Thousand Population	Percentage First-Degree Students Graduating Annually	First-Degree Awarded Annually per Thousand Population	Total Real Teaching and Admin. Cost per First-Degree	University Teachers per Thousand University Students
Belgium	10.9	17.5	1.91	22,303	
Canada	21.7	18.8	4.08		57.9
Denmark	19.3	9.0	1.74	39,666	
Finland	18.0	16.0	2.56		98.1
France	11.7	15.3	1.78	13,764	49.5
Germany	14.6	9.5	1.39	28,516	123.9
Italy	17.2	7.5	1.29	17,027	41.3
Japan	15.6	18.3	2.85		82.3
Netherlands	9.9	7.3	0.72	60,205	94.8
Sweden	19.3	12.3	1.64		
Switzerland	8.7	10.7	0.93		71.1
U.K.	7.0	28.2	1.78	22,507	68.7
U.S.A.	40.8	13.9	5.67		64.9
Average	15.9	13.9	2.18	29,141	78.2

Sources: Unesco, EC (European) and author's calculations. "Real" costs are calculated by converting money values originally given in national currencies into B.U.S. at exchange rates that have been adjusted to reflect each country's comparative internal purchasing power. First Year University students are those entering their first year of university studies on non-degree-level courses. Last column relates to all students and teachers at universities only.



Sir Keith Joseph: all the facts?

It turns out, in universities. You and your ministers are fond of saying that senior national comparisons of higher education statistics are invalid. You are wrong.

There is an international standard for educational statistics, and in my table I use the rather precise concept of students enrolled on courses leading to first university degree or equivalent qualification. This eliminates some students at some countries' universities, and brings in many of our own students at polytechnics and colleges of education.

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**'If this country is to recover her confidence and prosperity she needs more graduates, not fewer'**

**Professor Robin Marris: cost-effective graduates**

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## THE ARTS

## Television

## Guarded humour

Queen Mary asked him to sing his uncensored version of "When I'm Cleaning Windows", the Russians voted him second favourite to Stalin — which meant, if you think about it, he was probably No 1 — and he was earning £100,000 a year in 1938 as Britain's most loved film star. It seems George Formby had only one piece of bad luck: his wife, Beryl, was the proverbial ball and chain. She was the business brain, and the bad luck made him.

His father, a famous Edwardian comedian, had meant him to be a jockey and sent him off as an apprentice but, when father died, George junior — who had not won a race — took to the boards and before long was fancying one of two clog-dancing sisters from Accrington.

The George Formby Story, presented by Forty Minutes on BBC 2 last night, suggested that George never ceased fancying women but, after he had caught Beryl, fancying was as far as he could go. The melon mouth, ukulele and giggling image that were the props of a marital prisoner under strict guard, on and off set.

In his films he only managed to kiss one leading lady, Google Withers, and Phyllis Calvert, who made *Let George Do It* with him in 1940, testified that Beryl's security was so good that he only managed to appear in her dressing room door for a brief but eloquent "Ee, I'm crazy about you."

That film, in which George, in a dream sequence, punched Hitler on the nose, was said to have raised morale to its highest level during the war. This was the film the Russians saw which ran for a year, re-named *Dinky Doo*, in Moscow, and which might, had Uncle Joe been a more fair-minded chap, have given a lad from Wigan the No 2 position for a May Day parade.

During the war, where Churchill went George was likely to follow. He was the first entertainer to visit the Middle East and altogether entertained some three million Allied troops. And Beryl went, too.

After the war it all sagged a little but in the Fifties he was back at the top in *Zip Goes a Million* until a heart attack cut him short and Beryl confined him to the house. Beryl, of course.

Then cancer struck Beryl and she turned to the bottle. Michael Dean, who wrote and narrated this excellent essay in nostalgia, reported that during this period George was about to revolt as Beryl had denied him the solace of the Catholic Church but, in her illness, George stuck by her and testified on television to her contribution.

She died in 1960. George shocked everyone who had not glimpsed the chains or heard the rattle by announcing his engagement to a young Catholic schoolteacher six weeks later. Within two weeks of that, he had a heart attack and died. It had not turned out nice again after all. Now his films and the determined strumming of the George Formby Society ensure that the memory lingers on.

It was a happy, sad story, well produced by Ann Paul with good witnesses in Irene Handl, Tommy Trinder, Bill Logan and Phyllis Calvert: another well-occupied Forty Minutes.

Dennis Hackett

**My show is open**  
Ten weeks soon flee  
Will your family  
forgive you  
if they never  
saw me?

An Evening's INTERCOURSE  
with Barry Humphries  
**Theatre Royal**  
**Drury Lane**  
Perf Mon-Fri 7.30pm Sat 8pm  
BOX OFFICE 01-836 8108

**Mermaid Theatre**  
01-236 5558

**ALEC MCCOWEN**  
in  
**THE PORTAGE**  
TO SAN CRISTOBAL  
OF A.M.

adapted for stage by  
CHRISTOPHER HAMPTON  
from the novel by  
GEORGE STERNER  
Directed by JOHN DEXTER

PREVIEWS FEB 11-16

## Cinema

## Masterly vision of moral collapse

The Contract (AA)

Gate, Camden Town

Polish Cinema:

The Non-Realists

National Film Theatre

A Girl From

Lorraine (AA)

Academy

Deadly Blessing (X)

Studio, Oxford Street;  
Classic, Haymarket

Hell Night (X)

Classics, Oxford Street,  
Leicester Square

If there were more picturegoers in the Foreign Office and the State Department, diplomatic understanding of the Polish situation might well be more profound. Looking back over the whole of cinema history, it is not too much to say that no other movie artist so clearly expressed the crisis and the conscience of a nation as did the Polish film-makers from the late Seventies to the end of 1981.

The latest issue of *Sight and Sound* contains one of the last interviews with Andrzej Wajda before the December takeover. The interviewer, Gustaw Moszcz, comments: "In the context of a degenerating political system which encouraged nepotism rather than intelligence, Wajda's cinema was one of the last bastions of hope, honesty, integrity and genuine democratic idealism." His films captivated Polish audiences through their ability to summarize and encapsulate the byzantine complexities of the Polish state, vivid visual statements of the social malaise. Increasingly they became vehicles for dramatic analysis of the collapse of social morality, destroying the lives of private, impotent individuals.

The authorities were keenly aware of Wajda's effort. In 1978 *Index* reprinted parts of a code of practice spirited out by some mole in the Polish censor's office, the year before. "His theatrical and film output and the interviews he gives," concluded the censorship, "demonstrate that, in ideological and political terms, he is not with

us. He takes the stand, often met with in artists, of an 'impartial judge' of the history of our days." Alongside Wajda stands Krzysztof Zanussi, whose films, in particular the triptych formed by *Camouflage*, *The Constant Factor* and *The Contract* — have few parallels as analyses of moral decay and self-deceit. *The Contract* is the last of them to arrive in London and seems in retrospect the most remarkable. I first saw it at a preview in the Warsaw television studios in the early summer of 1980, at the moment of the first reports of strikes on the Baltic coast. At that time it seemed very remarkable for its outspokenness; but it is only now, with the hindsight of the succeeding 18 months, that we can wholly appreciate this microcosm of a society on the verge of moral collapse.

Like a lot of the most profound social and moral analyses in art — like *Sterne*, *Chekhov*, *Buñuel* or *Renoir's La Règle du Jeu*, with which *The Contract* has some superficial resemblances — it carries its wisdom lightly. For the first time Zanussi works through laughter, and shows himself a master of the comedy that borders on farce.

The film is the story of a wedding party, and of the family, and guests who bravely try to keep up appearances even though the bride flees from the altar and the groom ends up setting the house on fire. The opening scene, where the horses of the privileged almost run down an innocent citizen, a little old lady who is only trying to feed the birds, is a metaphor which comes in handy for ulterior reflection: this is that destruction of "the lives of private, impotent individuals".

The marriage begins far from auspiciously as the guests arrive for the civil formalities which precede the church ceremony, though the groom's father beams persistently through every setback. His first wife, the groom's mother, arrives hatchet-faced and unforgiving. The bride's father, some sort of official, radiates the authentic chill of officialdom and deplores such demonstrations of democracy as inviting his driver to eat with the guests. Foreign relations and friends add to the dismay and confusion: "How damned rude," says the bride's father, "to come here unable to speak a word of Polish".

The comedy builds up as the party moves on to the ritzy villa just built by the groom's father — a cardiologist with some evidently very profitable business sidelines. There are high jinks in the Swedish sauna, a kleptomaniac at large, a couple locked in the bathroom, a pack of fierce dogs on the rampage, the groom drunk out of his mind, the aged nanny wandering off all resentment into

Patience against flamboyance: Maya Komarowska (left) and Leslie Caron in "The Contract"

the night and snow, and the cat has done something dreadful under the carpet. The groom's father rekindles an old flame for his flamboyant French sister-in-law (Leslie Caron); his wife (Maya Komarowska) looks patiently on, the single representative of comparative sanity and solidity.

The guest of honour, a Minister, makes a regal descent. Everyone turns out, is intent on trading what favours he can. The Minister eyes a seductive woman and asks if it is a car or flat she needs. Everyone is on the make, down to the passing punk who wants a medical certificate to excuse himself from school the morning after. Not even the Church itself can stand outside the universal game of bending, breaking or evading the rules.

Zanussi's structure is masterly. The farce escalates; the laughter grows desperate and suddenly dies away; the calm Komarowska is left alone with the little bride, now returned and chastened as they wander in the woods. "What has happened — all this mess within us and around us? Where will it lead?" Now, of course, we know.

Zanussi as writer-director is both deep and lucid. His special genius is the ability to pose the most fundamental problems, of how to live, how to discover some constant values for existence. In this about the Poland of Pope John Paul II, *From a Far Country*, the quest of the hapless bride and groom, central figures in the moral chaos. At the same time he is able to perceive the problems in a large historical context.

This special historical sense has since been demonstrated in his film about the Poland of Pope John Paul II, *From a Far Country*. When it was shown in Venice in September that film was received with some hostility. Last week the

Manila Festival gave a fresh opportunity to see it and to discover that with the perspective of the months between we can better recognize the film's stature, alongside Wajda's *Man of Iron*, as an epic witness of Poland's history.

There are some personal footnotes to *The Contract*. Tadeusz Lomnicki, who plays the groom's father, is now barely recognizable as the idealistic young hero of Wajda's early classic *A Generation*; in the years since then he has become an important political figure within the Party. Maya Komarowska, who plays his wife, is still in Warsaw, giving less time now to acting than to organizing food and other relief for internees. The jolly, plump comedienne who sings at the wedding, and is later prominent at the party, is now in prison. She is an actress whose career, except for the *Solidarity* months, has long been curtailed because of political disapproval: few directors except Zanussi (she also appears in *Camouflage*, though her name is not found on the credit lists) have been prepared to give her work in films.

Next week the National Film Theatre is presenting a short season of some of the less significant Polish films of the past year or so. The most interesting among them are period pieces set in the early years of the century when much of Poland was a part of Imperial Russia — a delicate historical situation (given modern parallels) with which Polish film-makers were long forbidden to deal. Agnieszka Holland's *Fever* adapts a complex novel by Andrzej Strug about a frustrated terrorist attempt. Wojciech Marczewski's *Nightmares* is from a novel by Emil Zegadlowicz about a boy maturing in a town under Austrian rule. Filip Bajon's stylized 1901: Chil-

## Concert

## The voice of magic

BBCSO/Gielen

Festival Hall/Radio 3

I imagine the Festival Hall was so empty on Wednesday simply because most people realize that Schoenberg's *Erwartung* is an opera and felt that any concert performance would of necessity misrepresent it. They could not have been more wrong. *Erwartung* staged is one thing, but *Erwartung* out of the theatre becomes entirely an opera of the mind, and for reasons that this performance made quite clear.

To begin with, it had the great benefit of Phyllis Bryn-Julson as the unnamed solo character of what Schoenberg called his "monodrama". Miss Bryn-Julson has the exceedingly rare gift of making angular, atonal melody sound like song and not some sort of agonised raving, and here she was consistently marvellous. Everything was beautifully sung, without lapses into fake expressionist speech-song; everything was clear and audible without any screaming exaggeration of the fact that some fairly extreme emotions are being expressed. The music was simply allowed to do its work.

And I intend no dismissal of Miss Bryn-Julson's magnificent performance in suggesting that its main point was to direct attention to the orchestra. At the first critical juncture of the work, when the first of the four sections is about to end, the woman announces that she will sing, but this is not tautology; we hear her song in a high violin solo, a touching moment enhanced here by Rodney Friend, and we are alerted to the fact that the real drama is going on in the orchestra.

For although, like Wagner and Strauss before him, Schoenberg made his most violently exposed operatic character a woman, establishing a distance that kept art from merging with life and perhaps driving him mad, the great freedom of his atonal style allowed his orchestra to become something much more than the accompaniment it still is for Kundry and Salome. It has its own life as a fantastic succession of melodies, chords and repeating patterns, all of which Michael Gielen brought to tumble out of the BBC Symphony Orchestra in exquisite, delicate, vivid array, proving at last that *Erwartung* is not about a woman deranged but rather about imagining her, remorselessly.

Paul Griffiths

## Theatre

## Walking a nervous tightrope

Murder in Mind

Strand

As I last quit this building 10 years ago to write off a show which has been running ever since, I would be glad to look with a kinder eye on the entertainment which has slid into the space vacated by *No Sex Please We're British*. Ever since, after sitting out Terence Feely's thriller I have to give this up as a vain hope.

The evening opens ominously with the return of a wide-eyed, febrile Nyree Dawn Porter to a multi-doored hall, paralysed in a flash, homicidal baronial style, to pour out her day's disasters in a phone conversation which we are conveniently allowed to hear too. Her name has just gone down in flames. On comes Roy Dotrice claiming to be her husband, only to be met with a torrent of terrified denials in which she thoughtfully includes more information for our benefit. The house has 40 acres of parkland, for instance; she is in the art-marketing business which she shares with her husband, sister, and cousin, none of whom, she quavers, bears any resemblance to her. The sinister trio now making themselves at home with her decanters and combination

locks. They are after the loot, they say, taking away her telephone, locking her in the bathroom, and then reluctantly releasing her for a police examination when they can barely make themselves heard above her hammering from up above. They sail through the Sergeant's identification tests, down to the last strawberry mark, and then resume the attack when they have closed the door on the law.

Why did she have two tickets to America? What is the new combination number? Where is George? Pause, while they collect their shotguns to scour the 40 acres for George. However, George is back in a flash, reminding her of how her cousin Peter used to torture her as a child and resuming the game with a bottle of nitric acid (a prop which blossomed into one of the evening's favourite running gags).

Another panic phone call brings her doctor to the rescue — a paternally unflappable Basil Hoskins who appears to be the brains of the operation, and quickly brain-washes her into a family reunion; though even he is briefly thrown off his stride when George's body falls out of a cupboard. "Things are going a bit better," as one of the gang remarks.

Nobody could deny that. You expect Byzantine complications in this kind of show, but Mr Feely's trick of presenting a group of people who may or may not be what they seem has given Anthony Sharp's company a hopeless task. They have no characters to play; all they can do is walk a nervous tightrope between villainous masquerade and family feeling. As a result, the only watchable performance comes from Philip Lowrie, who has the advantage of playing a real policeman.

Irving Wardle

Chee-Chee

King's Head

Situation comedies were around before television packaged them in half-hour sequences. While working his way to a calculated disruption of the theatrical experience in *Six Characters in Search of an Author*, Luigi Pirandello was not above turning his short stories into short plays, as if anticipating TV.

Perhaps he anticipates a bit more than that with hints of the anti-illusionist games of his later plays, but what he disrupts in *Chee-Chee* is love's illusion, displaying the reality of the confidence trickster who manages to make money and love out of his practised use of personal charm and private debts.

Ned Chaillet

## Aldeburgh branches out

The Aldeburgh Festival is to be expanded to include ballet and drama as well as concerts and opera as part of a "windfall" which will cover its immediate financial difficulties. The spring programme will include visits by the Adolf Friedrichs Bachor from Sweden, the Scottish Chamber Orchestra, the Midnite Follies Jazz Orchestra, the Orchestra of St John's, Smith Square, and Northern Ballet Theatre. An unusual departure for the Maltings, in April, will be the only concert outside London of the folk-singer and songwriter Carol King.

The Aldeburgh Festival will run from June 11 to 27 and will include a new production by Kent Opera of Britten's arrangement of *The Beggar's Opera* as well as first visits to Snape by the Royal Shakespeare Company — performing anthologies — Sadler's Wells Royal Ballet and the City of Birmingham Symphony Orchestra.

## THE MAKER'S EYE

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David Watt

# Roy Jenkins: the ayes have it

For the first year of their existence, the Social Democrats have done pretty well with their polycephalous leadership. An effective composite picture can be made out of Mr Jenkins' weight and experience, Dr Owen's drive and energy, Mr Rodgers' solid political judgement, and Mrs Williams' extraordinary public appeal.

Admittedly we have occasionally caught glimpses of a rather less glamorous beast, possessed of Dr Jenkins' fastidiousness, Dr Owen's bad temper, Mr Rodgers' lack of charisma, and Mrs Williams' indecision. ("Has it occurred to you," said Shaw to Mrs Patrick Campbell, "that our offspring might have my looks and your brains?") Nevertheless, the success of the quadrumvirate has been quite sufficient to prompt the obvious question: why change a winning formula? Why must Dr Owen start stirring things up with tiresome "challenges" and the like? Why start a leadership contest now, and indeed why start one at all?

The answer to the "why now?" part is easy enough. Time is getting on. The constitutional convention of the SDP takes place in two weeks' time and will debate a clause which provides for a leadership election in the early autumn by an electoral college consisting of MPs. It may well be amended to provide that in the first leadership elections the electoral college should consist of the entire membership of the party, but there is no suggestion that the quadrumvirate should be retained.

Another factor is the practical need for a final arbiter with authority to settle disputes, treat with other parties, and provide definitive answers to the media in the crucial eighteen months' run-up to the next election. Surprisingly few wires get crossed (at any

rate in public), considering the complexity of the new operations where the party is involved — policy-making, negotiating with the Liberals, building the party machine, and keeping the party's parliamentary end up. But the point is now being reached where none of these different activities can any longer be detached from the others. A view has to be taken for better or worse on the whole stance and direction of the party, and until it has a leader such a view is hard to crystallize.

This last point is also the key to the question "Why have a contest at all?" The fact is that each of the four gangsters represents not only different temperaments but also different aspirations and ways of looking at the future of the party. It is not always easy to separate these strands, but it is important to realize that calculations of personal advantage are only half the story. The half is that four very able and civilized politicians, having risked a great deal together and having already achieved an astonishing amount, are genuinely enjoying something new and significant in each other's company. But an examination of the scene as it appears from their very individual viewpoints may cast some light on the argument.

● **Roy Jenkins.** One of his supporters described him the other day as "an old man in a hurry". The first part of the description is perhaps unkind for a very well preserved 61-year-old, but the "hurry" part is certainly right. Unlike the others, he must regard the next election as his last serious chance of becoming Prime Minister and must therefore hope for more than a mere "hung" Parliament in which the Alliance holds the balance of power and forces through proportional representation ready for 1989 or whenever. The big push has got to



Roy Jenkins: he can handle the Gang

come now. It follows that the Alliance is far more important to him than the SDP as such, and now that Mr Steel has said he will serve under him, the Liberal connection is more valuable than the balance of potentially winnable seats between the two parties — provided, of course, that the SDP catches a respectable minimum sufficient to block a Steel government. Mr Jenkins' disapproval of Mr Rodgers' entirely reasonable warning shot across Liberal bows at Christmas is highly significant.

● **Dr Owen.** He is often accused of ruthless ambition, and no doubt he has a fair share of it. But his main objection to Mr Jenkins is that he (Jenkins) does not see the SDP as a party that is primarily a radical alternative to the Labour Party and is prepared both by temperament and self-interest to allow it to become a predominantly middle-class alternative to the Tories. Dr Owen is often a bit vague about what exactly he means by "radical" and what causes Mr Jenkins' opposition to espouse in order to get his seal of approval.

On trade union reform, for instance, which ought to be a litmus test and on which they are supposed to be at odds, the two men are, so far as I can see, in

agreement on a cautious line which will distinguish them from the Government. Nor is it at all clear that Dr Owen's (as opposed to Mr Enoch Powell's) "radicalism" is what working-class voters want anyway. Nevertheless, on an emotional level, Dr Owen is right. Mr Jenkins, whatever he may have been in the past, is not very radical today, except in the sense that he would like to change the constitution. He is an old-fashioned Liberal-minded centrist, and his image, like Campbell Bannerman's, is of a man who still represents

"The accursed power that stands on privilege And goes with women and champagne and bridge."

This combination may not necessarily turn off the voters of Warrington and Hillhead, but it may not necessarily solve the country's problems and bind up its wounds either.

● **Mrs Williams.** She seems, as so often, to be in two minds. In some moods she recognizes that Mr Jenkins is the only possible leader of the Alliance and therefore of the party. In others she listens to the voice of Dr Owen and her socialist conscience (she is probably the only genuine socialist remaining among the four), which admonish her to shake her head over Mr Jenkins. Her own star naturally also tempts her to run. Neither she nor Dr Owen consider the leadership of the party outside Parliament as much more than a device to console the loser, but she would probably take it all the same if she stands and then loses.

● **Mr Rodgers.** He is a Jenkins man, and though he has a genuine enthusiasm for the SDP and is far wiser of the Liberals than Mr Jenkins, he will not wish to have another punch-up with them before Mr Jenkins is safely elected at Hillhead. He has had a love/hate relationship with Mrs Williams ever since

they were at Oxford together more than 30 years ago, and at a basic level he probably does not take her very seriously. He is irritated by Dr Owen's tactlessness and pretensions, and is probably human enough to be jealous of his popular impact. He is therefore in favour of the idea that Jenkins should be leader in Parliament — and future Prime Minister — and Mrs Williams' leader in the country. If Mr Jenkins were to fail at Hillhead he would presumably run himself and would probably win if the choice lay with MPs.

The conclusions of all this are not very hard to make out. First of all, it is perfectly obvious that Mr Jenkins has got to be leader of the party. He is the only one under whom Mr Steel could serve, but he is also the only one who could handle all the other three of the Gang from the position of leader. The notion that he could somehow lead the Alliance, but not the SDP, is hopelessly artificial. On the other hand, it is equally obvious that Dr Owen is right to resist a walk-over. There ought to be a contest, otherwise the suppressed strains and resentments among the four will actually grow. A leadership fight will clear the air, legitimize the winner, and validate whichever policies he represents. Moreover, it will do no harm at all if Mr Jenkins is given a run for his money and is obliged to prove to the members of the party his specifically SDP (as opposed to his Alliance) credentials.

All new parties come to this kind of parting of the ways, after an early period of flux (I would recommend a reading of the Acts of the Apostles to anyone who doubts it). The sooner a democratic decision is taken, the better.

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## How Mubarak sets the new Cairo style

by Christopher Walker



Shaikh Kishk, not considered an immediate threat.

Cairo When President Mohammed Hosni Mubarak arrives in London tomorrow, he will be leaving behind an Egypt whose internal mood, style of government and approach to foreign relations has altered significantly since the assassination of President Sadat less than four months ago.

While an increasingly anxious Israeli Cabinet has been quick to coin the phrase "de-Sadatization" to describe what it fears might be a gradual end to the spirit which led to the 1979 peace treaty, Egyptians from every walk of life are fusing in their praise of the approach being adopted by their workmanlike new leader. Even naturally cautious diplomats have been impressed by the performance of a man many considered incapable of moving so adroitly into the job.

Although large, idealized portraits of the former president still adorn many public places in Cairo (possibly as a deliberate reminder of the cult of personality which he is now blamed for encouraging), little respect is being shown for his memory. At the last count one academic researcher had already noted 216 new anti-Sadat jokes which have been circulating since his death.

In stark contrast, the 53-year-old President Mubarak — once the butt of local jokes aimed at his alleged lack of intelligence — has so far escaped the type of cruel, personalized humour which in the past has so often served as a form of political safety valve for ordinary Egyptians.

Particularly appreciated has been his strict order that members of his family are to benefit from the presidency and instructions that all pictures of his attractive, half-Welsh wife Susan are to be kept out of the newspapers. This early move accurately pinpointed deep resentment felt at the role played by Mrs Jihan Sadat, and returned to the protocol familiar under Nasser.

President Mubarak has also decreed that there should be no more fawning public advertisements singing his praises, and has swiftly banned the opulent string of rest houses popular with the Sadat entourage back to the nation. One of the luxury residences near the Pyramids was even publicly bulldozed as part of a clearance scheme, a canny symbolic move in a country where the average annual income is still less than £200 a year.

Perhaps the most graphic example of the change in style will come on April 26, the day that Israel is scheduled to hand back the remaining one-third of the occupied Sinai. Instead of the grandiose and somewhat vulgar celebrations which marked earlier handovers of land lost in 1967, Mr Mubarak has banned all pomp and circumstance in favour of a low-key ceremony.

Quick to identify the shaky condition of Egypt's economy as the main problem to be dealt with (and the main threat to the future stability of the government), President Mubarak has quickly inaugurated schemes to cut wasteful spending.

Among Egypt's parliamentary and extra-parliamentary opposition, Mr Mubarak has succeeded more effectively than most observers expected in defusing the dangerous tensions which had built up during the final days of President Sadat. His main tactic has been to begin a slow-down in the growth of oil revenues and other factors, Egypt has seen its \$1,500m balance of payments surplus in 1980 transformed

into a deficit which is expected to reach \$500m by the end of the fiscal year in June.

In foreign relations, the widely-predicted move back towards closer ties with the Arab world has begun, with emphasis on semi-private contacts with such potential friends as Saudi Arabia rather than any dramatic gestures. Much energy has been expended on emphasizing Egypt's non-aligned status while Arab governments have been told firmly that Egypt has no intention of scrapping the peace with Israel.

The gradual rapprochement with the Soviet Union, although watched with intense suspicion from America's Cairo Embassy (the third largest in the world) is seen with more equanimity by west European governments, who seem convinced that an exchange of ambassadors is inevitable in the post-Sadat era. All signs point to a levelling out of the extremes of President Sadat's later-day policies, rather than any imminent 180° turn from Egypt's pro-Western position.

Inevitably, economic ministers were at the heart of President Mubarak's first Cabinet reshuffle. Last month, the one aspect of his new government which has failed to win much approval from diplomats based in Cairo, anxiously monitoring prospects for the future. There is a strong feeling that it was only temporary in nature and will require a follow-up.

Altogether 12 new ministers were brought in and the main economic post went to Abdel-Fattah Ibrahim, a former governor of the Central Bank who is handicapped by continuing ill health. Uncertainty and lingering doubts prevail among western governments about why Mr Mubarak failed to pick a more impressive team.

As with Mr Mubarak's other policies, the emphasis is on caution, a determined avoidance of the flamboyance and unpredictability associated with Anwar Sadat, and a conscious effort to run a government more responsive to the wishes of the masses.

From a western point of view, doubts about the post-Sadat era are likely to disappear if the new President catches his early promise. But given Egypt's horrendous social and economic problems, it still remains a big if.

From Kanpur, Richard Streeton sums up England's cricket tour of India

## The glorious certainty of statistics

Kanpur Was the Test match series which ended here yesterday between India and England the dulllest of all time? Probably not, has to be the answer, though it came fairly close to it.

India won the first match in four days, and the next five all petered out tamely in draws, meaning that 25 days' play had been completely pointless in terms of results.

Most cricket enthusiasts, though, would not summarise what has taken place in recent weeks in those sort of terms. Unlike the United States, for instance, where there is no provision in baseball for a drawn match, a clearcut result has never been considered essential in cricket. In fact many cricket lovers would cite famous instances where a side has managed to stave off defeat and draw among their most vivid memories.

There has, in fact, been a great deal of stimulating cricket played in the Test matches just finished, with some fine batting to enjoy. Everyone will have their own examples of cricket's dulllest series but those between India and Pakistan — in Pakistan, 1954-55, and in India, 1960-61 — would appear in most lists. Ten successive Tests were drawn with not a gesture or any attempt made by either side

**The Indian tour: England's performance**

Test Matches: Played 6, Won 0, Lost 1, Drawn 5  
All First-Class Matches: Played 13, Won 2, Lost 1, Drawn 10

Batting	Matches	Inns.	Not Outs	Highest Score	Average
G Boycott	8	14	5	701	105.78
G A Gooch	11	18	3	389	127.57
I T Botham	10	14	1	1747	142.57
K W R Fletcher	11	15	5	524	108.52
C J Richards	5	5	4	51	18.51
D I Gower	11	15	2	906	94.45
C Cook	5	7	2	257	104.42
J J Topley	11	17	0	676	149.39
M W Gatling	11	13	1	455	127.37
G R Dillley	9	10	2	189	52.23
D L Underwood	9	8	5	60	22.00
R G Dillley	9	5	3	26	13.00
R W Taylor	10	9	1	101	43.62
J E Embury	10	10	2	76	33.95
J K Lever	7	4	0	34	16.50
P J W Altott	5	3	0	10	3.33

to reach a definite result. There were political and national undertones to these games, of course, but India and England also drew all five Tests in 1963-64 when, as in recent weeks, the pitches were just too perfect.

Cricket's appeal for its devotees has seldom lain solely in the bare result. It might be an overstatement to say that they do not mind about the outcome of a game but it is a definite fact that the poorest attendances in the County Championship come on the third day when the captains usually try to contrive a clearcut result.

The 1981-82 Tests have been unusual in that in four games the first innings were not completed until the fifth day (in other words, the halfway stage was barely reached) and also for the fact that the number of balls bowled sank to a record average low of around 78 an hour. This is a deliberate modern tactical ploy by the captains to slow down the tempo, and later this year the legislators are expected to lay down a mandatory number of overs that must be reached in a day; but for the million-plus spectators who watched India and England, the over-

riding consideration was that India should retain their 1-0 lead in the series. A test match nowadays is no longer an entity in itself but is merely a part of a series, with national prestige at stake and settled by the overall outcome. There are already signs in Australia that five-day tests have lost their appeal compared with one-day games and something similar could follow in India the years ahead.

It is a pity that a spectator reaction in India, where time means so little, that is some way off.

All this series has pro-

duced batting records; no game excels cricket for its capacity to yield records and the statistical aspect of the game more than the Indians. There was hardly a day in the series when there was not something statistical to enjoy. In the second Test at Bangalore it was Gavaskar, the King Emperor of Indian cricket, who batted 708 minutes, longer than any other Indian before him, with the crowd loving every moment of the English frustration. In Delhi over Christmas it was Geoffrey Boycott passing Gary Sobers' world record Test career aggregate that claimed the limelight.

Then came Madras, with Viswanath's 222 falling by nine runs to become India's biggest ever Test score. Here in Kanpur there was always the comforting knowledge, in a match that lost ten hours to the weather, that India were about to clinch the series. For Kapil Dev yesterday to make one of Test cricket's quickest centuries was merely a bonus for a full house.

These examples are only a few of the reasons why for the enthusiasts present the 1981-82 series was far from dull. Obviously it is a pity that so much present day Test cricket does not show the game in its best light.

## THE TIMES DIARY



Congratulations to Peter Tory, my opposite number on the Daily Mirror. He is either a master of disguise who owns his own clip-in moustache, which can be useful in

our profession, or he has the most vigorous growth of hair on any upper lip in Britain. On Tuesday his column was headed with smiling, clean-shaven face. On Wednesday he had sprouted a fine moustache. Yesterday it was gone again. The truth may be that Tory has grown a moustache, but was terrified by what he saw when he looked in the Mirror on Wednesday morning. But I shall be keen to see this morning whether he now sports a floppy hat, dark glasses and a

are selling Bush House. But he would give no hint of the purchaser or price.

### Doe-it-yourself

Paul Clifford of Wrexham is turning a fast buck, touring the town by van selling rabbit and chips. After a week, customer reaction has been sufficiently favourable to double his fleet and soon he hopes to cover Clwyd, expanding his range of convenience foods to rabbitburgers and rabbit pies.

Clifford and his wife, Jo, found it impossible to find a decent living from their 100-doe rabbit farm. They mortgaged their all and, with the help of a grant from the Welsh Development Agency, set up a rabbit-processing factory able to handle 40,000 animals a week. Rabbit is readily available on most supermarket shelves, most of it imported from China, but Clifford claims that his rabbits, all

home-reared, are superior, "not just something you put in a stew".

The meat, long tainted by its association with myxomatosis and wartime substitution (a chicken may be recovering popularity. Last week Simpson's in the Strand restored it to the menu for the first time in 30 years. Theirs is cooked in cream and mushroom sauce and costs £4.50 a portion. For the moment Clifford's breadcrumbed joints with chips at 70p, is still avoiding Bugs Bunny versus Captain Birds Eye hostilities by keeping his vans to the byways of Wrexham industrial and housing estates where fish fryers do not venture.

### Wait for it

Gustave Ledun, director of the armagnac, brandy producers' association, was lunching at that most English of establishments, the RAC Club, and though the menu is in French, he seized directly upon ported shrimps and grilled Dover sole.

The only fish available in his region of Gascony, he says, are tench, and the trick of cooking them is to steep them alive first in milk and then in armagnac. This sounds too cruel for English taste, though not much crueler than the RAC's sommelier. When asked for armagnac, he said: "That's the drink they make from cognac, isn't it?"

### A certain disability

The Royal Institute of British Architects wish to improve access for the disabled to their Grade II listed headquarters in Portland Place. At present there is a metal ramp, which they want to replace

with a permanent stone ramp to give access to wheelchairs.

They applied for planning permission from Westminster council on October 14. It was the third week in January before statutory notices about the change appeared on lamp-posts outside the building. The matter has yet to go to a committee for consideration.

While it is plainly right that architects could not be trusted to design anything so simple as a wheelchair ramp for their own building, it does seem that Michael Heseltine attempts to cut down on planning delays face another setback.

### Right on

From Mr Roy, Sir, I was astonished to find in which Chancellor, Speaker, r... (text continues)

The Spectator's opinion on... (text continues)

From Prof Margaret Sir, On the Meade's pro... (text continues)

The wage... (text continues)

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Revealed at last! the . . . word to upset MPs

Reg Rance's f . . . in the House of Commons was in perfect order. The Labour MP for Wood Green, a not excessively boorish Bennite, uttered the four-letter word which is forbidden, in PHS at least, on Wednesday night during the debate on sex shops. The event, if that is what it was, passed without a murmur in the thinly attended House. The couple of dozen MPs present took Rance's statement that a sex shop in Lewisham advertised a contacts directory with the slogan "phone them and f . . . them" as grim but unexciting news.

Still, it gave The Daily Telegraph parliamentary sketch writer a chance to grab prominence on the front page, and to treat the readers to a display of asterisks the like of which has seldom been seen outside the pages of Marvel Comics.

Rance was quoting from a document, albeit an improbable one, and could, before the Speaker's ruling yesterday, say what he liked. It followed that there were no points of order, no shock and no outrage. MPs reserve that sort of reaction for much more polite words which they use about each other. Then words that would not flutter an eyebrow after dinner can be considered totally impermissible. Among them are "blether", "cad", "cheeky young pup" and "not consonant with personal honour". The ultimate four-letter word in the House of Commons is not f . . . but "liar".

### Literary labours

PHS regards journalism, if not as an idle occupation, at least as a rather luxurious one. How then does beleaguered Michael Foot find time to write wistful letters to The Times like the one published yesterday or embattled Sir Peter Parker to write erudite appreciations of William Blake for this week's New Statesman? Should PHS try running the Labour Party British Rail?

### Bush House for sale

The Post Office Staff Superannuation Fund is selling Bush House, valued at more than £30m, over the heads of its tenants, including the BBC external services.





P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

## OPTING OUT OF THE NHS

Private medicine has been one of Britain's few boom sectors during the recession. The number of subscribers to private insurance schemes rose by more than 14 per cent last year, and the building of small private hospitals has gone forward at a brisk pace. One person in every 14 is now covered: but by the same token, 13 in every 14 are not. The continuing financial problems of the National Health Service contrast sharply with the flourishing condition of the private sector. Many who never shared the wholesale left-wing hostility towards private medicine are beginning to wonder whether such a rapid growth may not after all be a threat. This week the Royal College of Nursing, which said in 1975 that the private sector should be allowed to develop outside the NHS in response to market forces, called for new controls to ensure that the development does not undermine the NHS.

In the short term, it is feared that the growing number of private hospitals is a poach expensively trained manpower from the NHS by offering higher wages. But private care will bring up, without anybody actually intending it, a state of affairs which the great majority would deplore — a vicious circle where private medicine became the usual option for a substantial proportion of citizens, with the NHS becoming increasingly neglected and impoverished because of a diversion of public pressure to maintain standards. In general terms this prospect is still remote. In any case patients with private cover are likely to look to the NHS for some of their medical needs, such as long-drawn-out nursing care. But there are signs of a vicious circle in some sectors

where waiting-lists for painful but non-acute conditions may be years long. Allegedly, private treatment buys comfort and convenience rather than better medical care, but already today the distinction is an academic one in too many cases.

The NHS deserves protection: As a comprehensive system without frills but strong in essentials, it is popular because it is fair. No other country manages to provide equally good care as economically. But as taxpayers we have not been prepared to fund it to a level where it could provide a service as good as private medicine can in the areas where the latter excels. As buyers of insurance, many are ready to pay much more in addition to their taxes. Indirectly these extra funds (more than £160m last year) relieve pressure on the state service, if the threats of poaching of staff and a widening disparity of standards can be averted.

There are many ways in which it is possible for the two sectors to reinforce each other and there would be many more were it not for the sense of division left over from the pay-bids controversy of the mid 1970s. It was that controversy which launched private medicine in a direction that made it increasingly difficult for it to supplement rather than threaten. The attitudes which brought the 1974 conflict to a head are still very much alive. Last year's Labour Party conference voted to abolish private practice inside the NHS and outside it. Whatever the Labour Party's chances of giving such intentions legislative form, several trade unions with many members in the NHS are hostile to private practice. But except for an illiberal minority able to

envisage the expropriation of hospital trusts (to acquire beds that the NHS does not need) or the outlawing of private medical care, the future must be seen to be one of coexistence between the two sectors. If two sectors are to exist, there is an overwhelming economic, medical and social case for bringing them into as close a partnership as possible.

The Royal College of Nursing tentatively proposes that future private development should be located in or near NHS hospitals, though in separate buildings. The private sector is understandably wary of giving hostages to fortune in this way, but in principle the proposal is sensible. The physical separation between private and NHS hospitals wastes many hours of doctors' time, necessitates duplication of beds and equipment and sharpens feelings of resentment and prejudice.

It is essential that the private sector pay its full share of all NHS facilities it uses: the benefits of the private contribution would be more visible if a share of it went not to swell national funds but to the local hospital itself and to staff involved in providing the service. A private contribution to training costs might also help to restore goodwill though it is no more logically necessary than a special levy on industry to support education: taxation is designed to take care of that already. The state system, in turn, should publicize and develop amenities beds and other devices that bring it close to what the private system can offer. Both sides should be ready to move towards a mutually beneficial partnership. Political hostility to that process would only hasten the growth of the very polarization it seeks to prevent.

## HERR SCHMIDT'S POLITICAL REFLECTION

Chancellor Helmut Schmidt is playing for high stakes in making his job-creation package the subject of a vote of confidence in the Bundestag today. Yet the measures he has introduced are cautious in the extreme. Although they provide some response to the demand from German unions that something must be done about unemployment, they will have only a small effect. They are a way of heading off more drastic action rather than a solution to Germany's unemployment problem, which with 1,900,000 out of work is getting more and more serious.

The new measures are expected to cost the German government about £3,000m spread over three years. At £1,000m a year that is a much smaller dose of reflation than the CBI and Cabinet wets here would like. It is far less than the job creation programme brought in by Mitterrand government in France.

The net effect of the German action will be even less because Value Added Tax is being increased from the middle of next year to pay for the programme. The result will be to increase public spending and increase taxes; hardly Keynesian reflation, more a case of supply side economics in reverse.

The government's aim is two fold. It wants to encourage investment with public money in the private sector to increase the economy's long-term ability to grow. And it wants to do something special at the same time to create jobs, especially for the young, unskilled who have been hit by the decline of the construction industry. The investment part of the package is the more important. The government hopes that its assistance will encourage the private sector to put up its own money, so that the total amount of investment will be ten times as large as the government contribution.

Past experience suggests that things will not be as simple as that. The effects of a similar programme in the mid-seventies were disappointing. They showed that the private sector is less impressed by government packages of this kind than it is by prospects for the economy as a whole. These cannot be greatly influenced by small changes of this kind in the level of government activity. Herr Schmidt shows no sign of being interested in really large reflation as a way out of Germany's economic problems. The difficulties which have faced Mitterrand in

France will have confirmed him in this view.

Much more important to the German economy than the government measures will be what happens to interest rates. In Germany it is generally reckoned that a one percentage point drop in interest rates has the same effect as £2,000m of extra spending or tax cuts. And although job measures for the young can give short-term help, there is no basis on which Germany can hope to bring its unemployment down without a general world recovery.

The economic measures being adopted by the Chancellor are not really economic at all. They are an attempt to force his own party to back him in a confidence vote. Their very insignificance is part of their attraction. By showing that he can call and win a vote of confidence he hopes to end the constant bickering which has become such a feature of the coalition in recent months. Whether that vote alone will be enough to restore the coherence of the coalition in the months ahead is a question of direct concern to the rest of Europe and indeed to the rest of the world.

## Right objectives

From Mr Ronald Spark  
Sir, I was appalled by the sanctimonious letter (February 3) in which Mr Alexander Chancellor, Editor of the Spectator, revealed that he had rejected an advertisement from Mr David Irving because of its "extremist" nature. I know little or nothing of Mr Irving. It is a matter for personal judgment whether his views are extremist. But, provided he remains within the bounds of the law, he is entitled to express his opinions. He is entitled to seek to reach like-minded individuals without the stamp of Mr Chancellor's approval. The Spectator depends for its existence on freedom of information. Mr Chancellor has lately begun to contribute a column to a daily newspaper. It will become him to play the censor and deny to others the democratic rights he himself enjoys. Yours truly, RONALD SPARK, 19 The Roynes, Rottingdean.

## The wage-inflation bind

From Professor Geoffrey W. Maynard  
Sir, On the face of it, Professor Meade's proposals (Business feature, January 20) for the conduct of macro-economic policy represents a significant change from the past, at any rate of fiscal and monetary policy being used to manage the level of real demand in the economy whilst the control of inflation is left to incomes

policy. Professor Meade now proposes that fiscal and monetary policy should control nominal demand whilst intervention in the labour market is aimed at regulating employment. However, whether the new proposals would make much difference in practice depends on how the Government would behave if more rational money wage-fixing arrangements cannot be introduced or, if introduced, break down, so that the country is faced, as so often in the past, with a money wage explosion. On this issue, if his proposals are to be our guide, professor Meade seems in danger of undermining his own proposals.

In reply to some criticisms of his proposals for Professor Kaldor (letter to Financial Times, December 30, 1981), Professor Meade in effect tells us that if a target of, say, 10 per cent per annum growth in nominal GDP has been set, and money wages, then rose by say 30 per cent, he would not advocate restraining the rise in GDP to 10 per cent since this would result in falling employment.

If this were generally understood to be Government policy, then not only would the response to the aim of maintaining a stable growth of nominal money expenditure, but it would gravely prejudice the task of enforcing or maintaining the sensible money wage-fixing arrangements which are at the heart of Professor Meade's proposals. It has surely been the willingness of most governments in postwar Britain to accommodate inflationary money wage and unrealistic real wage demands that has been at the root of Britain's inflationary problem and, in the end, the accommo-

dation did not prevent the rise in unemployment.

If the policy of our present Government represents a radical break from the past, as I believe in some respects it does, it lies not in its adoption of "monetarism" — mere glance at monetary statistics should disabuse us from this belief — but rather in its unwillingness to accommodate, and for this it should be applauded.

As the SDP picks and chooses between various aspects of policy pursued by previous Labour and Conservative governments, this particular feature of present policy should certainly not be disregarded.

Yours faithfully,  
G. MAYNARD,  
Vice President,  
The Chase Manhattan Bank, NA,  
Woolgate House,  
Coleman Street, EC2.

## Proper names

From the Reverend Kenneth Leech  
Sir, The late Father Neville, SSF, an Anglican Franciscan who worked in the East End of London, was widely known and much loved by people of many nationalities, including seamen in other countries, many of whom had never seen his name written. Letters addressed to him included Father Nibel, Nibbel, Nibel and Nable, and one was addressed to (Mr) Fadermebble, Cable Street, London. It arrived without any difficulty. Yours sincerely, KEN LEECH, General Synod, Board for Social Responsibility, Church House, Dean's Yard, SW1.

## Claims to Alliance leadership

From Lord Tordoff  
Sir, Your first leader today on "who is to lead the Alliance" concentrates naturally on who is to lead the SDP, a matter which Liberals should leave well alone. But insofar as it dwells on the subsequent leadership of the Alliance, your leader has understated the position of David Steel as having "many supporters as Alliance leader among the general public". The last poll on this topic (Gallup, December 11, 1981) gave him a huge lead over any of the SDP's leadership, a preference echoed even among SDP supporters.

The percentage figures as to "who do you think would be the best leader of the Alliance?" were as follows:

	All voters	SDP voters	Liberals voters
David Steel	39	38	68
Shirley Williams	22	24	14
Roy Jenkins	13	21	4
Roy Owen	8	7	5
William Rodgers	1	1	0
Don't know	17	9	9

Before you consider who is to lead in government, you have to determine who would best lead the Alliance to victory and into government. For that reason Mr Steel's claim should not be written off so casually. The public recognises him as the consistent advocate of many of the policies now being adopted by the SDP and as perhaps the main architect of the Alliance itself. All that has to be set in the balance against the undoubtedly superior experience of Roy Jenkins. (Although it may be thought that that experience might be best used to the country's advantage at the Treasury.) Meanwhile this factor does not seem to influence voters unduly, since in the same poll Mr Steel was ahead of both Mrs Thatcher and Mr Foot as current favourite Prime Minister.

Yours faithfully,  
TORDOFF,  
House of Lords,  
February 2.

## The Tawney tradition

From Professor Antony Flew  
Sir, Several correspondents have asked me to challenge the right to Tawney's name of a society which is supposed to be social democratic, as opposed to socialist. Certainly there can be no doubt but that R. H. Tawney himself was a Clause IV socialist. I have found in the Tawney Society's "public ownership of all the means of production, distribution, and exchange". Thus in his *Equality*, first published in 1931, several times reissued but never either disowned or even substantially revised, he argues that a majority Labour government must nationalise all of what Lenin in 1923 and Hugh Gaitskill in 1959 called "the commanding heights of the economy" (chapter VI). In the following chapter he adds: "If it succeeds in doing that, the remaining up of the remainder will follow in good time."

Of course, some of us who greatly admire R. H. Tawney might try to argue that, had he lived longer, practical experience of nationalization in Britain would have led him to change his mind. Certainly too his commitment to democracy always came before his commitment to socialism. In that same chapter VI he continued: "If these laudable improvements leave the British public cold, an enlightened minority have neither the right nor the power to force them down reluctant throats."

Nevertheless it was surely at least imprudent for people who want us to believe that the SDP is not socialist to call their subsidiary the Fabian Society the Tawney Society.

Yours faithfully,  
ANTONY FLEW,  
University of Reading,  
Whiteknights,  
Reading,  
February 2.

## Housing policy

From the Director-General of the National House-Building Council  
Sir, Neil McIntosh of Shelter repeats (February 2) the fiction — for that is what it is — that tax concessions to home buyers have discouraged investment in productive industry. The facts are otherwise. J. P. Taylor has correctly stated that a boom in house production in the 1930s from below 210,000 in 1931 to 365,000 in 1936 helped to lead the nation from the slump. In the post war period, the years of high new house production have been years of relative prosperity. By contrast in the last two years, when house prices were static and housing starts were at exceptionally low levels, industry generally was in recession.

As for the decline in rented housing, the fact is that in an inflationary society, home ownership leaves the inflationary gain with the individual: renting leaves it with landlords, public or private.

It is relevant that £50m spent now on assisting council tenants of below average means to buy on the open market could "at a stroke" empty some council houses for the needy, stimulate new house production, and reduce the numbers on the dole. Moreover, the burden of mortgage payments on the erstwhile tenants should mean that they could not afford to buy imported goods. It is doubtful if there is any other public investment which would produce such a good return. Yours sincerely, A. W. TAIT, 58 Portland Place, W1, February 2.

## LETTERS TO THE EDITOR

### Submission on Civil Service pay

From Mr Bernard Gottlieb  
Sir, Today's first leader (February 3) makes an unprecedented attack on the propriety of senior Treasury civil servants and by implication on the laxity of Government ministers. I hope that, as you suggest, the Chancellor of the Exchequer, or better still Mrs Thatcher as Treasury First Lord, will respond to your challenge quickly.

Senior civil servants have never negotiated with unions about their own salaries. Whatever the merits of what the Government conceded at the end of last year's strikes or the line of its evidence to the Megaw Committee should one assassinate Treasury messengers simply because they bring news of Government decisions?

Yours faithfully,  
BERNARD GOTTLIEB,  
The Reform Club,  
Pall Mall, SW1,  
February 3.

From Mr Peter Hordern, MP for Horsham and Crawley (Conservative)  
Sir, If you are right to surmise that the Treasury evidence to the Megaw Committee on Civil Service pay shows that the 4 per cent limit on pay increases does not mean what it says, and that any extra sum negotiated by the Civil Service may come simply from the contingency reserve, then we are in a serious position. Serious because the practice of pay in the Civil Service being established through a sophisticated comparability exercise with the private sector makes it so.

Between 1970 and 1981 wages and salaries per unit of output in manufacturing industry quadrupled. This is a far worse record

than any of our industrial competitors, and has surely led to the very high number of those now out of work. The Clegg awards in public sector pay, and other comparability exercises, however, seem to have taken no account of the dreadful but inevitable consequences of too much pay in our productive industry. They have simply forged ahead regardless.

In 1980-81 Civil Service pay rose by 23.5 per cent to £4,627m. In the NHS pay rose by 31.3 per cent to £5,266m. In 1980-81, having risen by 21.7 per cent the previous year, although these increases probably reflect the extra 67,000 people recruited since June 1979. Public corporations, apart, that is, from the nationalised industries, increased their pay in 1980 by 16.6 per cent to £2,007m, universities by 21.4 per cent in 1979-80, followed, if Sussex University is a guide, by 23 per cent in 1980-81; and polytechnics by 26.1 per cent in 1980-81.

In engineering, in construction, in production of motor vehicles and steel, our output is significantly less than it was ten years ago. What kind of system can it be that allows pay in the public sector to be compared to the ruinous increases paid in the productive sector, which has put so many out of work in industry, while the numbers are still growing in central government as a whole? Surely the only comparability exercise for the Government service that is valid is the comparison with what the country can produce and can afford. And that cannot be more than 4 per cent.

Yours faithfully,  
PETER HORDERN,  
House of Commons,  
February 3.

### Arsenii Roginskii

From Professor Geoffrey Best and others  
Sir, We are very disturbed by reports reaching the West about the recent trial in Leningrad of our professional colleague, the historian Arsenii Roginskii.

Roginskii was one of the outstanding students of the internationalist, linguist and literary historian, Yuri Lotman. Since his graduation in 1958, he has published a number of distinguished articles on nineteenth and early twentieth century social thought in Russia, some of them in the West.

In June 1981 his reader's ticket to the Leningrad Public Library was revoked on the grounds that he had "used material from the manuscript departments for illegal publication abroad". He was subsequently arrested, and in early December sentenced to four years' imprisonment by the Leningrad City Court under Article 196 of the RSFSR Criminal Code, which deals with the forgery of "official documents which confer rights or exempt from obligations". The documents in question appear to have been letters from official institutions requesting access for him to certain archival collections.

As professional historians, we are seriously concerned that Roginskii should be charged with an offence which appears to

signify no more than that he was trying, under very adverse conditions, to continue carrying out his professional duties. Neither foreign publication nor the attempt to gain access to archive sources can be regarded as criminal offences. The right which Roginskii wished to exercise was one he already had under Article 46 of the Soviet Constitution, which guarantees citizens "use of artefacts of culture", to be ensured by their being made "generally available in official and public collections". If indeed he misused official documents in the process, then this is at most a misdemeanour committed under stress and warranting no harsher penalty than a period of exclusion from the archives concerned.

We would urge the Soviet judicial authorities to reconsider the case of Arsenii Roginskii, and to dismiss the charges against him on appeal.

Yours etc,  
GEOFFREY BEST, R. H. HILTON,  
MAURICE CRANSTON, DAVID MARQUAND,  
H. C. DAVIS, BRIAN PULLAN,  
C. R. ELTON, E. P. THOMPSON,  
RODERICK FLOOD, DOROTHY THOMPSON,  
J. A. S. GRENVILLE, D. CAMERON,  
NORMAN HAMPTON, STUART WOOLF,  
JAMES JOLL, JOHN VINCENT,  
Department of History,  
University of Essex,  
Wivenhoe Park,  
Colchester,  
February 2.

### Canada's constitution

From Chief Roger Jinnie and others  
Sir, We, the undersigned Chiefs, write to express our concerns at the contents of your leading article "All clear for patriation" (January 30).

The article drew attention to the fact that the claim made by the Indian Association of Alberta has been rejected by the Court of Appeal. It implied that, subject to further appeal, the effect of the judgment is to leave no Indian claims pending in the English courts.

That, however, is not in accordance with the facts. The claim made by the Indian nations of British Columbia, Manitoba and Ontario (their writ was issued on December 10, 1981) has yet to be decided by the courts in this country.

The plaintiffs are seeking to expedite the hearing of their case, which is based on very

different grounds from the Alberta claim. It argues that any legislation to patriate the Canadian Constitution requires the consent of provincial legislatures and of the Indian nations. Under these circumstances it is not unreasonable to expect that the British Government, which indicated its willingness not to press ahead with the Canada Bill until the Alberta appeal could be heard, will adopt a similar approach to the present litigation.

Yours sincerely,  
CHIEF ROGER JINNIE (Union of British Columbia Indian Chiefs),  
EDWIN B. BRUYERE (Fort Alexander Reserve, Manitoba),  
DENNIS (Dakota Tip Reserve, Manitoba),  
TOMMY GESNO (Fort Hope Reserve, Ontario),  
GRAND CHIEF WALLACE (Nishnabeski First Nation, Ontario),  
DAVID HUNT (Kwakwaka'wakw Band, Kwakwaka'wakw Nation, British Columbia),  
Office of First Nations,  
2 The Mansions,  
Bramham Gardens, SW5,  
February 1.

### Consular service

From Mr Edward Fuller  
Sir, Lady Marley (January 29) complains of an extra fee for consular services "out of hours". As an American journalist I recently had occasion to observe the problems faced by the British Consulate in Rome during regular hours. Each week during the tourist season hundreds of people expect help because of stolen handbags, documents, money, travel tickets, etc.

One couple arrived at the consulate in bathing costume — all they had left when their car with all their possessions inside was stolen. Another man arrived in his wife's stretch slacks — all he had available when luggage was stolen from his hotel room during the night. The consular staff arranged to buy trousers for him and the consul herself took them home on her lunch hour to sew up the cuffs. These problems are in addition to the normal duties of registering births, arranging visas, dealing with death certificates, etc.

Rarely have I seen such efficiency and courtesy with a sympathetic staff doing all they could. Presumably some consulates are better than others but from my observation I think all British subjects should be grateful to have these hard-working people there to help in time of need.

If Lady Marley objected to paying an additional £17 for services demanded when the

consulate was closed, she could easily have waited and gone there on Monday morning. As she found the casual bystanders and the French police such revelations of kindness, surely she could have borrowed the Metro fare.

Yours faithfully,  
EDWARD FULLER,  
Springfield Farm,  
Buckhorn-Weston,  
Dorset,  
February 1.

### Home brewed

From Miss Emma Wigglesworth  
Sir, In your Business News of January 30 Mr Shindler, Secretary of the National Association of Licensed House Managers, is reported as saying that home brewing is unfair competition.

This extraordinary statement could well be applied to home cooking, home dressmaking, home decorating, home movies or even, perhaps, playing the piano at home.

Rather than suggesting a tax on those who are doing their best to cope with inflation the association should do the same as other industries and find new ways of attracting custom.

Yours faithfully,  
EMMA WIGGLESWORTH,  
53 Canonbury Park South, N1,  
January 30.

## Devolution option for Ulster

From Mr William McDowell  
Sir, David Watt's thinking on Ulster (feature, January 29) seems somewhat incoherent. He correctly perceives that the likelihood of a Government initiative on Ulster managing to establish a devolved Assembly is extremely remote. It is also made clear in his article that neither the DUP nor the SDLP can at present be expected to help make such a legislature work and furthermore the "moderate" parties are too weak to be of any effective assistance to such a scheme. But somewhat strangely the aforementioned points don't lead Mr Watt to conclude that devolution for Ulster, at least for the time being, is too dangerous to be attempted.

There is, on this, one point he fails to mention (the significance of which seems to be missed by many, both in and outside of the province) that with unemployment in Northern Ireland at nearly a fifth of the total workforce the atmosphere generally is too pessimistic to allow for such visionary institutional goals to be achieved.

Mr Watt also suggests that direct rule has failed Ulster in the long run, when in actual fact it is just beginning to succeed. The IRA played their ultimate cards last year — the hunger strike and the murder of the Unionist South Belfast MP, the Rev Robert Bradford. The worst is over. The British Government needs to stand resolute and patient.

David Watt concludes by writing, "we have now reached a point where the riskiest policy of all is to sit tight and do nothing"; but this is not what integrationists are asking for. It would be best for the Conservatives to do what they originally proposed in their manifesto: "In the absence of devolved government, we will seek to establish one or more elected regional councils."

Prior should establish a regional council, and if that move proves after a few years to have been successful, well, who knows what the future holds? The important point always to remember is that Ireland's problems cannot be solved locally; if there is a solution it will take years to come about. Ulster is not another Rhodesia.

Yours etc,  
W. McDOWELL,  
Bloomfield,  
Belfast,  
January 29.

### Stalemate in Cyprus

From Mr O. F. Muftizade  
Sir, In the last paragraph of your analysis of Turkey's European credentials (leader, January 29) you suggest that the Turkish Government should "be seen to make a serious and urgent effort to reach a solution to the Cyprus conflict" which would enable it to withdraw its troops from North Cyprus.

Notwithstanding the fact that the present Turkish Government has been making both behind the scenes and visual efforts to contribute to the success of the current peace exercise in Cyprus by renouncing support to Dr Waldheim's evaluation, to mention but one — you seem to have missed a vital point over this issue: Greece, too, must make meaningful and visual efforts if an honourable agreement between the two partner communities in Cyprus is to be achieved, in which case, as your leader points out, a withdrawal can be possible, since the all-important "security" issue will no longer prevent it.

However, in the same issue of *The Times*, your own correspondent quotes Greece's socialist Prime Minister, Mr Papandreu, as declaring that "Cyprus is part of the Hellenic nation". I believe that even the most ultra-nationalist Greek politician would have thought twice before making such an outburst about binational Cyprus at this delicate stage.

I feel I am justified in expecting *The Times* to be more sensitive and factual in apportioning the blame for the current stalemate in Cyprus. Yours faithfully, O. F. MUFTIZADE, London Representative of the Turkish Federated State of Cyprus, 28 Gekspur Street, SW1, January 29.

### Radio print

From Miss Margaret Smith  
Sir, I wonder if there is any scientific basis for the curious assumption made by publishers of newspapers that those people who listen to radio programmes have better eyesight than those who watch television. Yours faithfully, MARGARET SMITH, 2 Willowlea Road, Bevere, Worcester.

### A town like Townsville

From Mr Noel F. Webster  
Sir, "City of Townsville", the name of an Australian airliner observed at Heathrow by your correspondent G. H. Neild (February 3) is not, as he suggests, an example of tautological Oz-speak. The Queensland port of Townsville was named after its founder, Robert Towns, a merchant of English-born origin, who was designated a city the following year.

Aussies 1, Poms 0. Yours faithfully, NOEL F. WEBSTER, 5 Cecil Close, Mount Avenue, Ealing, W5, February 3.

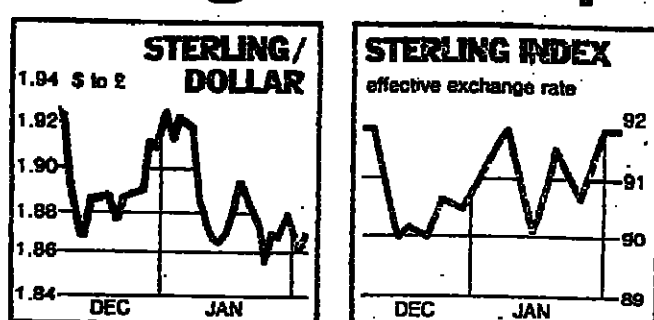






## BUSINESS NEWS

## Sterling one cent up



The pound rose against the dollar on the money markets but fell against some other major currencies. The effective rate slipped slightly, closing at 91.7, down 0.3. It was 100 points up against the American currency, at \$1.8700. The pound has been strengthening for some days on the effective rate, climbing one percentage point during the last eight trading days.

## Nissan UK talks

Senior executives of Nissan, the Japanese car maker, are expected in London next week for talks in Whitehall on the company's proposed United Kingdom car manufacturing plant. The delegation will be led by Mr Masataka Okuma, vice-president. Nissan is believed to have selected a site for the factory last year, probably in the north-east. The talks are expected to lead to a formal announcement of the chosen site.

## PSBR on course

The public sector borrowing requirement in the nine months to December totalled £9,710m. But after allowing an estimated £3,000m for the impact of the civil servants' dispute, the underlying figure is about £6,700m, apparently on course for the Government's estimate of £10,000m for the full financial year. In the three months to December, the PSBR was only £212m, helped by the recovery of about £1,500m of delayed tax.

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● Ghana is the world's most expensive country for a Briton, according to a survey by Employment Conditions Abroad. Inflation there means a British style of meal would cost more than ten times as much as in Britain.

## MARKET SUMMARY

## Lucas leads a retreat

## LONDON EXCHANGE

FT Index 574.8 down 3.2  
FT 100 64.95 up 0.16  
FT All Share 328.72 down 1.40  
Bargains 19,335

Move more than 1,000 redundancies jobs at Lucas Industries' aerospace division produced a sharp burst of reverse thrust to the market's ambitions yesterday.

After a cautious start, equities, retreated amid nervous selling, something the jobbers had tried to achieve all week, as stock shortages became more acute. The FT Index closed 3.2 down at 574.8 after being 2.3 down at 10am.

Lucas shares tumbled 9p to 221p and were the cause of heavy losses on all other aerospace leaders. Smiths Industries fell 12p to 356p, Hawker Siddeley 10p to 340p, and British Aerospace 9p to 195p.

Gifts also showed signs of running out of steam, but, after initial falls recovered to close 2 1/2 up in longs and 2 1/2 up in shorts in reduced trade.

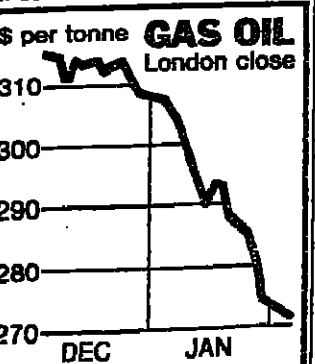
Among blue chips P & O & D resisted the trend rose 1p to 133p on renewed Far Eastern support. Several market sources said the long-awaited bid could be weeks away instead of months.

Elsewhere in shipping, London & Overseas Freighters added a further 1 1/2p to 62p in expectation of a bid from Leane Investments, the Panamanian group acting on behalf of Mr Faisal Hashim, who owns 17.23 per cent of the equity.

Royal Dutch/Shell fell 8 1/2p to £17.03 1/2 as a line of 200,000 shares, worth £3.5m, went through the market at £17.50p. This in turn depressed Shell, which slipped 6p to 372p.

## COMMODITIES

● Gas oil prices mainly held on the International Petroleum Exchange in London yesterday. A May closing at £271.50-£272.25. More distant contracts weakened were also steady suggesting that traders expect Saudi Arabian oil production to remain below 8.5m barrels a day for some time.



● By contrast, coffee rose noticeably. March robustas were up £76.50 a tonne to £1,286, and May was £37 higher at £1,208. Traders said nearby supplies are still tight.

## TODAY

Housing starts and completions for December.  
Company results: Burt Boulton, Dura Mill, English Associated Group, ML Holdings, (half-year), Portsmouth and Sunderland (3 months), Associated Fisheries, British American and General Trust, Glasgow Stockholders Trust (finals).

## OTHER EXCHANGES

Hongkong: Hang Seng Index 1,384.15 down 15.77  
Tokyo: Nikkei Dow Jones Index 7,834 down 26.24.

## CURRENCIES

● The dollar weakened in late trading. The pound recovered from a day's low of \$1.8615.

## LONDON CLOSE

\$18700 up 100 points  
Index 91.7 down 0.1  
DM 4.3775  
Fr.F 11.0900  
Yen 435.50  
DOLLAR  
Index 111.4 unchanged  
DM 2.3350 down 220 pts  
GOLD  
\$384.50 up \$6.25

## MONEY MARKETS

● Markets held steady. The Bank bought £262m of bills on a forecast shortage of £300m. Its dealing rates were unchanged.

Domestic Rates:  
Base rates 14%  
3-month interbank 145-144  
Euro-Currency Rates  
3 month dollar 15-15 1/2  
3 month DM 10 1/4-10 1/2  
3 month Fr.F 15 1/4-15 1/2

## Storm over tripled US budget deficit

From Bailey Morris Washington, Feb 4

A new turore over the Reagan Administration's handling of budget figures erupted in the US House of Representatives today as Democratic and Republican leaders received more bad news about the projected deficit for the 1982 fiscal year.

Based on current estimates of total Federal revenues expected in the 1982 fiscal year ending in September, House leaders were told they must write a new 1982 budget resolution showing a deficit almost triple the earlier projection.

The 1982 deficit is now expected to climb to \$109,500m, up sharply from the earlier projection of \$37,700m largely because of increased defence expenditures and higher than expected costs for social programmes.

Members of the House budget committee received unpublished figures showing greatly increased Federal outlays of \$741,000m in 1982 and lower than expected revenues for the year of \$631,200m.

This would result in a deficit of more than \$1,000m, Mrs Alice Rivlin, director of the Congressional Budget Office said. She disclosed the figure in testimony before the House armed services committee.

The United States stock market reacted to the news almost immediately dropping three points by midday after showing small gains most of the morning.

Mr James Jones, the Democratic chairman of the committee said the new deficit forecast indicated the Administration's basic economic assumptions have been wrong all along. He said they

raise doubts about the numbers to be included in the new 1983 budget message to congress.

Based on current administration policies and without further steep budget cuts, the deficit is expected to climb from \$109,000m this fiscal year to \$157,000m in fiscal 1983 and up to \$250,000m by fiscal 1986, Congressional budget figures indicated.

Mrs Rivlin blamed the new estimates on the Reagan administration's military buildup.

Mrs Rivlin blamed the new estimates on the Reagan administration's military buildup, which she said would not rekindle inflation but could retard economic growth greatly by producing huge deficits and high interest rates.

Mr Jones said his committee had received new figures from the administration showing higher costs for unemployment and greatly reduced tax revenues resulting from lower incomes in the United States during the first six months of fiscal 1982.

Incomes were down by \$30,000m during the period and oil prices dropped by about \$8,000m. This cut Federal revenues from the \$657,000m assumed in the earlier budget resolution to \$631,200m.

At the same time, Mr Jones said projected federal outlays, had risen sharply because of \$8,000m in new unemployment costs and \$7,400m in higher federal interest costs to finance the debt.

Total outlays in fiscal 1982 are now expected to reach \$740,700m compared with \$695,500m projected in the earlier budget resolution.

## Emergency powers for Belgian economy

From Peter Norman, Brussels, Feb 4

Belgium's centre-right coalition government of Mr Wilfried Martens has put forward its first "train" of measures to revive the country's economy. Others will follow soon under the special powers that parliament granted the government this week to push through its economic programme.

In tackling Belgium's economic problems of high unemployment, a huge budget deficit and a growing gap in the current account balance of payments, Mr Martens's coalition of right-wing liberal and centrist Christian parties has chosen to mix wage restraint and government measures to get investment moving.

The week's first package of measures under the special powers were anything but painful. To aid the building industry the government has decided to cut value added tax on construction to 6 per cent from 17 per cent for two years, and suppress capital gains tax on unused building land.

It is awarding tax concessions to the self-employed and owners of small businesses and reducing VAT on gold to just 1 per cent from 6 per cent.

The government is determined to keep the overall growth of wages and salaries this year down to 3 per cent.

Organized labour is already mobilizing against plans to revise the index with the FCBT, the socialist trade union federation, and the French-speaking wing of the Christian trade union movement in the depressed south of the country having called a general strike for Monday.

A gargantuan task that still has to be tackled is devising an economic plan to make the 1982 budget deficit conform with the Government's target of Belfr200,000m (£2,400m). At the time of its formation in December, the Government said it would have to effect new economies of about Belfr120,000m to achieve this goal and promised a rigorous campaign against public waste and tax fraud.

## Oil taxation policies readily criticized

By Jonathan Davis, Energy Correspondent

Several North Sea oil fields now offer less than commercial rates of return as a result of the harsher tax regime introduced by the Government last year, two oil experts claim.

In an 82-page submission to the Chancellor, the two academics say that the North Sea fiscal system is "badly in need of reform". They call for the existing complicated four-tier tax regime, consisting of royalty, special petroleum duty, petroleum revenue tax and corporation tax, to be scrapped and replaced by a single "progressive profits tax".

Occidental Petroleum has decided to press ahead with the appraisal of a field it discovered in 1975. The field, a few miles to the south west of Occidental's Claymore field, is to be called Scapa.

## New rub-out pen joins £85m sales battle

By Derek Harris, Commercial Editor

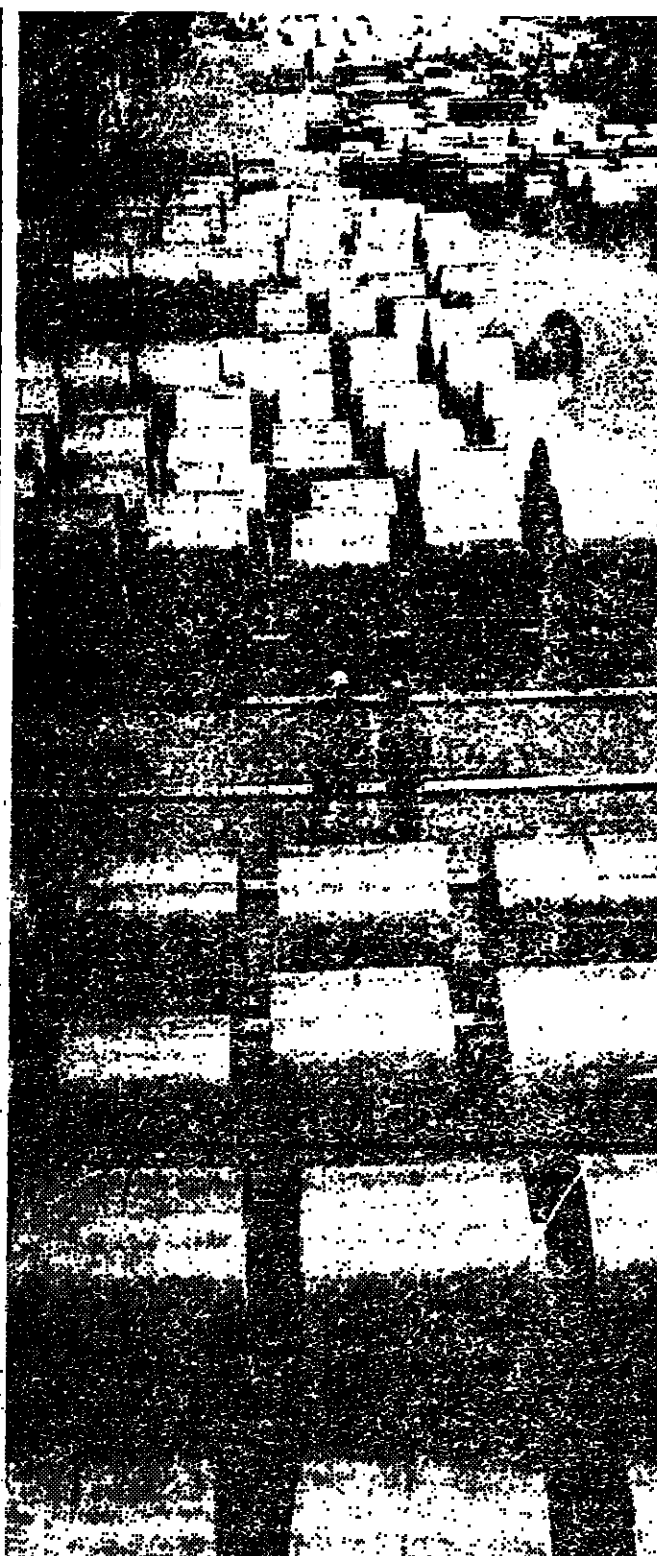
A novel ball-point pen whose latex-based ink can be erased with a rubber is adding a new dimension to the already complex battle among different systems in the £85m-sales pens market.

A carbon-copy battle of the new throwaway erasable ball-points seen in the United States between Gillette's Papermate range and Wilkinson Sword's Scripto starts next month in Britain. In the United States the tussle between these two companies, long rival in the razors market, has taken volume sales of the erasable ballpoints to as high a level

as the rolling ball, the last big technology leap in pens.

The rolling ball pen, which first made a big sales impact just over three years ago, uses a wet ink in contrast to the original ballpoints which employ thicker oil-based ink paste. Rolling ball pens account for at least 12 per cent by value of the UK market, according to Wilkinson Sword, but other trade sources claim 17 per cent and more.

The rolling ball, in which Japan's Pentel is a major player, is "a mutant" between the traditional ballpoint and the fountain pen (now with under 9 per cent market share by value). The description comes from Mr Graham White, marketing manager for Wilkinson Sword, a subsidiary of Allegheny International based in Pittsburgh in the United States.



Hoesch's cold rolling mill at Dortmund: modern mills but outmoded steelmaking plant.

## Heavy losses lead to German steel merger

From Peter Norman, Brussels, Feb 4

West Germany's second and third largest steel companies today announced plans to merge their steel making capacity to be known as Ruhrstahl AG.

The plans were approved at meetings of the supervisory boards of Krupp Stahl in Bochum and Estel Hoesch Werke in Dortmund.

A joint statement said the steelmaking operations would be pooled by the end of this year, with other divisions following as soon as possible.

Krupp Stahl and Hoesch have incurred heavy losses as a result of the European steel crisis. The decision to pool their resources follows more than a year of discussions and will be followed by a request for state aid to help finance rationalization measures.

The two companies each produced around five million tonnes of crude steel last year, accounting for about one quarter of total West German output. Their combined turnover was around DM12,000 (£2,750m).

Krupp Stahl is the steel-making arm of the Krupp engineering and heavy plant manufacturing group while Estel Hoesch Werke is the West German part of Dutch-West German Estel.

The two firms will have equal shares in the new

Ruhrstahl company. Both have been struggling to modernize since the steel crisis in 1974. Hoesch has been handicapped by its outmoded Siemens Martin steelmaking plant in Dortmund but has modern capacities to produce sheet and plated steels. Krupp has invested heavily in building up its special steel capacity.

The companies said they would be able to cut costs through the better use of existing plant, through eliminating overlapping production divisions and avoiding duplicate investments.

They announced a series of new investment projects including the concentration of steel-making in Dortmund in a new oxygen plant with an annual production capacity of 3,500,000 tonnes.

Meanwhile, Thyssen, the largest West German steel and engineering group, is now breaking even on its steelmaking operations and hopes to be in profit from the second quarter of this year.

The company has so much confidence in the future that it is planning a rights issue.

Dr Dieter Spethmann, Thyssen's chief executive, said in Dusseldorf yesterday that shares would probably be offered in a ratio of one to five when stock market conditions allowed.

## Chrysler tanks sale

The board of Chrysler, the troubled United States car company, met yesterday to consider a \$350m (£187.5m) offer for its tank division from General Dynamics, one of the leading American manufacturers of military hardware. Talks have also been going on between the two companies and the

## Tin market on verge of crisis

By Michael Prest

London's tin market was on the verge of crisis last night despite recent attempts by the London Metal Exchange authorities to restore calm. The price of cash tin rose another £110 to £8,945 a tonne, while the three months price fell £32 to £8,045.

Dealers said that the major buyer who has dominated the market since last summer did not sell any tin yesterday.

This forced up the price of cash tin and widened still further the backwardation — cash prices are normally lower than forward prices.

Tin is needed by speculators who went short three months ago and whose contracts mature on February 25 and 26.

The LME committee is therefore faced with the real danger that a corner in tin has been built up. On Tuesday the committee said that after discussions with ring dealing members it had reached an understanding that the premium on cash tin should be limited to £120.

But market sources said that the supply tightness, which loomed later in the month and which was the authorities' main concern, had spread to almost all dates for February delivery. As a result, normal trading on the LME tin market has virtually ceased and the LME committee is faced with a major challenge.

Trading yesterday was largely limited to switching between different delivery dates as traders tried to match their obligations.

Dealers have complained for several months that industry has left the market, and some fear that LME's reputation is being damaged.

The immediate cause of the squeeze is delay to tin shipments aggravated in the view of some traders by the misjudgment of market psychology by the LME committee. But behind these factors lies heavy buying since last July which traders believe has come from tin producers led by Malaysia.

The buyers have spent at least £350m acquiring more than 50,000 tonnes of tin.

## CBI Budget plans 'modest'

By Edward Townsend and Rupert Morris

The Confederation of British Industry's plan for a £1,800m boost for industry would not throw the Government's economic plans off course and out of kilter, Sir Terence Beckett, CBI director-general said yesterday.

He had issued a challenge to the government to accept the CBI's Budget proposals which he reckoned were modest, constructive and absolutely consistent with the government's overall objectives.

Speaking in London, Sir Terence said: "Even more important, they are one hundred per cent consistent with the best interests of United Kingdom trade and industry. That is why they deserve to be supported and adopted."

"What our package does is to enable the Chancellor to keep one of the major promises of this government's election manifesto — to restore the health of our economic life and still control inflation."

The CBI is seeking an

increase in productive investment in 1982-83 of £250m, rising to £1,000m the following year, which would be more than offset by reductions in government current spending.

The National Insurance Surcharge, which the CBI wants cut by two per cent, was now widely recognised as a tax on jobs and home-produced goods and virtually a subsidy for imports, he said.

"In fact, NIS is the exact opposite of an export subsidy and if we attempted to levy such a subsidy, we would soon have Gatt and the EEC breathing down our necks. How perverse can you get?"

Meanwhile a reduction in interest rates is the key to the recovery for British industry, according to the Association of British Chambers of Commerce in its budget submissions to the Chancellor of the Exchequer.

The association, which represents 57,000 member firms through its 87 local chambers, believes its approach to be more realistic

than the CBI's "catch-all" package which it sees as lacking any consistent policy. Warning that failure to help industry cut costs and increase output will leave it not "leaner and fitter" but "smaller and weaker", the Association put forward two alternative strategies.

The first, and more favoured, strategy is simply to reduce the Public Sector Borrowing Requirement by £3,000m, immediately reducing interest rates and, so the argument goes, stimulating private investment and boosting output.

But anticipating that such a drastic pruning of the PSBR may prove politically impossible, the Association suggests an alternative approach based on reducing industry's costs.

This strategy requires a 50 per cent cut in employers' National Insurance Surcharge, cheaper energy for British firms, a reduction in public utility charges and investment in road and rail systems.

## Jobbers hit by lean market

By Sally White

Roller-coaster share prices and the low ebb of interest in British equities last summer caused a slump at Smith Bros, one of the two quoted obbling firms on the London market. There was a pretax loss of £798,000, as a result of which the dividend for the six months to October 23 has been halved at 0.5p, paid out of reserves.

Mr Anthony Lewis, the chairman, says there has been an appreciable improvement in trading in the third quarter. He adds: "It is impossible at this stage to forecast the results for the full year."

The loss per share is 3.7p as against earnings per share of 7p for the same period of the previous year.

Smith Bros does not deal in gilt-edged stock but trades in 1,800 different shares across many of the equity sectors, and specializes in the gold market.

Business Editor, page 17

## The best meetings take place

For over a decade, people with a sense of occasion have chosen to rendezvous at the Inn on the Park.

Now, we're also glad to say, people with good business sense are choosing the Inn on the Park for meetings of another kind.

Though for much the same reasons. First, and foremost, the Inn on the Park is a luxury hotel.

But if you think this makes for an unbusinesslike venue, think again. Nowhere are there surroundings more likely to make a lasting impression on colleagues and clients.

And nowhere is there an atmosphere more conducive to making business a pleasure.

This is made possible by service so thorough, so efficient and so unobtrusive that it leaves the businessman totally free to deal with matters at hand.

No matter how big the business, or how small the gathering. Then, there is the added incentive of not one but two world-class restaurants.

The Four Seasons which boasts cuisine fit for the palates of the greatest captains of industry. And Lanes, where the whitest collars can loosen their ties...not to mention their belts.

All this, plus two bars and a lounge where even the fastest-moving executives will want to slow down and relax, makes the Inn on the Park the perfect setting for business of any kind.

If you would like to find out more about business meetings at the Inn on the Park, simply call our Banqueting Manager, Paride Alexander or Anthony Rivers on 01-499 0888.

where the best people meet.



## Call to raise £3.6m

Data Laboratories will form part of the international electronics and instruments division of Bell and Howell, the British company responsible for operations on Europe, Africa and the Middle East. Mr Steven Warman, DataLab's founder and managing

Annual sales are \$1.9m. The company is the leading dry cleaner in Indianapolis, state capital of Indiana, where it has 12 shops. Other activities include apparelmaster garment and some commercial made goods.

## Alan Sugar: market overcoming its prejudice

**Amstrad Consumer Electronics**, the hi-fi manufacturer of Tottenham, has been riding high since its ordinary shares came to the market in April 1980. The offer price of 85p has risen to 100p, 10 times, and the shares have been on an upward trend ever since (see *John Watkins* writes).

The company's share price to 205p comes less than a week ahead of the half year results.

**Amstrad** preached 'pretek' profit for shareholders, and the company's £2.37m. Production has boomed since February last year when a plant was opened at Southend. Mr Alan Sugar, aged 42, the chairman, says the company plans to buy more land in the area for another factory.

Demand is outstripping supply at the moment, he says. Amstrad concentrates on packed hi-fi sets, although there are plans to

**Blundell**

**Profits rise**

Blundell-Permoglaze Holdings, the building industry paintmaker and supplier, yesterday announced a rise in its yearly profits to £27.7m from

Afternoon. — Cash £340.21 per tonne; three months £349.00. — Steel. — Afternoon. — Cash £44.50; three months £45.50-£4.00. — Zinc. — Afternoon. — Cash 5.075 tonnes. —

**ZINC** was steady. — Afternoon. — Cash £52.50; three months £52.50. — Steel. — Afternoon. — Cash £45.58; three months £47.58. — Zinc. — Afternoon. — Cash 5.075 tonnes. —

**COCOA** (c per metric ton) was steady. — Afternoon. — Cash 1122-1117.25; Sep 1122-1117.25. —

of about 80 in the 1, workforce, this has come from natural wastage and large scale redundancies.

[illegible]

French exports. It said this was due partly to new foreign models and also to the difference between its

[illegible]

**Mr Robert White, chairman of Blundell-Permoglaze**

---

40-55¢; Oct-Dec 70-90¢; Jan-Sep  
 Sales: 158 at 15 tonnes.  
**COFFEES**  
 Robusta (2 per cent. max. 1000  
 1982-1984: Mch 1161-1162; Apr 1162-  
 1163; May 1163-1164; Jun 1164-1165; Jul 1165-1166; Aug 1166-1167; Sep 1167-1168; Oct 1168-1169; Nov 1169-1200; Dec 1200-1201; Jan 1201-1202; Feb 1202-1203; Mar 1203-1204; Apr 1204-1205; May 1205-1206; Jun 1206-1207; Jul 1207-1208; Aug 1208-1209; Sep 1209-1210; Oct 1210-1211; Nov 1211-1212; Dec 1212-1213; Jan 1213-1214; Feb 1214-1215; Mar 1215-1216; Apr 1216-1217; May 1217-1218; Jun 1218-1219; Jul 1219-1220; Aug 1220-1221; Sep 1221-1222; Oct 1222-1223; Nov 1223-1224; Dec 1224-1225; Jan 1225-1226; Feb 1226-1227; Mar 1227-1228; Apr 1228-1229; May 1229-1230; Jun 1230-1231; Jul 1231-1232; Aug 1232-1233; Sep 1233-1234; Oct 1234-1235; Nov 1235-1236; Dec 1236-1237; Jan 1237-1238; Feb 1238-1239; Mar 1239-1240; Apr 1240-1241; May 1241-1242; Jun 1242-1243; Jul 1243-1244; Aug 1244-1245; Sep 1245-1246; Oct 1246-1247; Nov 1247-1248; Dec 1248-1249; Jan 1249-1250; Feb 1250-1251; Mar 1251-1252; Apr 1252-1253; May 1253-1254; Jun 1254-1255; Jul 1255-1256; Aug 1256-1257; Sep 1257-1258; Oct 1258-1259; Nov 1259-1260; Dec 1260-1261; Jan 1261-1262; Feb 1262-1263; Mar 1263-1264; Apr 1264-1265; May 1265-1266; Jun 1266-1267; Jul 1267-1268; Aug 1268-1269; Sep 1269-1270; Oct 1270-1271; Nov 1271-1272; Dec 1272-1273; Jan 1273-1274; Feb 1274-1275; Mar 1275-1276; Apr 1276-1277; May 1277-1278; Jun 1278-1279; Jul 1279-1280; Aug 1280-1281; Sep 1281-1282; Oct 1282-1283; Nov 1283-1284; Dec 1284-1285; Jan 1285-1286; Feb 1286-1287; Mar 1287-1288; Apr 1288-1289; May 1289-1290; Jun 1290-1291; Jul 1291-1292; Aug 1292-1293; Sep 1293-1294; Oct 1294-1295; Nov 1295-1296; Dec 1296-1297; Jan 1297-1298; Feb 1298-1299; Mar 1299-1300; Apr 1300-1301; May 1301-1302; Jun 1302-1303; Jul 1303-1304; Aug 1304-1305; Sep 1305-1306; Oct 1306-1307; Nov 1307-1308; Dec 1308-1309; Jan 1309-1310; Feb 1310-1311; Mar 1311-1312; Apr 1312-1313; May 1313-1314; Jun 1314-1315; Jul 1315-1316; Aug 1316-1317; Sep 1317-1318; Oct 1318-1319; Nov 1319-1320; Dec 1320-1321; Jan 1321-1322; Feb 1322-1323; Mar 1323-1324; Apr 1324-1325; May 1325-1326; Jun 1326-1327; Jul 1327-1328; Aug 1328-1329; Sep 1329-1330; Oct 1330-1331; Nov 1331-1332; Dec 1332-1333; Jan 1333-1334; Feb 1334-1335; Mar 1335-1336; Apr 1336-1337; May 1337-1338; Jun 1338-1339; Jul 1339-1340; Aug 1340-1341; Sep 1341-1342; Oct 1342-1343; Nov 1343-1344; Dec 1344-1345; Jan 1345-1346; Feb 1346-1347; Mar 1347-1348; Apr 1348-1349; May 1349-1350; Jun 1350-1351; Jul 1351-1352; Aug 1352-1353; Sep 1353-1354; Oct 1354-1355; Nov 1355-1356; Dec 1356-1357; Jan 1357-1358; Feb 1358-1359; Mar 1359-1360; Apr 1360-1361; May 1361-1362; Jun 1362-1363; Jul 1363-1364; Aug 1364-1365; Sep 1365-1366; Oct 1366-1367; Nov 1367-1368; Dec 1368-1369; Jan 1369-1370; Feb 1370-1371; Mar 1371-1372; Apr 1372-1373; May 1373-1374; Jun 1374-1375; Jul 1375-1376; Aug 1376-1377; Sep 1377-1378; Oct 1378-1379; Nov 1379-1380; Dec 1380-1381; Jan 1381-1382; Feb 1382-1383; Mar 1383-1384; Apr 1384-1385; May 1385-1386; Jun 1386-1387; Jul 1387-1388; Aug 1388-1389; Sep 1389-1390; Oct 1390-1391; Nov 1391-1392; Dec 1392-1393; Jan 1393-1394; Feb 1394-1395; Mar 1395-1396; Apr 1396-1397; May 1397-1398; Jun 1398-1399; Jul 1399-1400; Aug 1400-1401; Sep 1401-1402; Oct 1402-1403; Nov 1403-1404; Dec 1404-1405; Jan 1405-1406; Feb 1406-1407; Mar 1407-1408; Apr 1408-1409; May 1409-1410; Jun 1410-1411; Jul 1411-1412; Aug 1412-1413; Sep 1413-1414; Oct 1414-1415; Nov 1415-1416; Dec 1416-1417; Jan 1417-1418; Feb 1418-1419; Mar 1419-1420; Apr 1420-1421; May 1421-1422; Jun 1422-1423; Jul 1423-1424; Aug 1424-1425; Sep 1425-1426; Oct 1426-1427; Nov 1427-1428; Dec 1428-1429; Jan 1429-1430; Feb 1430-1431; Mar 1431-1432; Apr 1432-1433; May 1433-1434; Jun 1434-1435; Jul 1435-1436; Aug 1436-1437; Sep 1437-1438; Oct 1438-1439; Nov 1439-1440; Dec 1440-1441; Jan 1441-1442; Feb 1442-1443; Mar 1443-1444; Apr 1444-1445; May 1445-1446; Jun 1446-1447; Jul 1447-1448; Aug 1448-1449; Sep 1449-1450; Oct 1450-1451; Nov 1451-1452; Dec 1452-1453; Jan 1453-1454; Feb 1454-1455; Mar 1455-1456; Apr 1456-1457; May 1457-1458; Jun 1458-1459; Jul 1459-1460; Aug 1460-1461; Sep 1461-1462; Oct 1462-1463; Nov 1463-1464; Dec 1464-1465; Jan 1465-1466; Feb 1466-1467; Mar 1467-1468; Apr 1468-1469; May 1469-1470; Jun 1470-1471; Jul 1471-1472; Aug 1472-1473; Sep 1473-1474; Oct 1474-1475; Nov 1475-1476; Dec 1476-1477; Jan 1477-1478; Feb 1478-1479; Mar 1479-1480; Apr 1480-1481; May 1481-1482; Jun 1482-1483; Jul 1483-1484; Aug 1484-1485; Sep 1485-1486; Oct 1486-1487; Nov 1487-1488; Dec 1488-1489; Jan 1489-1490; Feb 1490-1491; Mar 1491-1492; Apr 1492-1493; May 1493-1494; Jun 1494-1495; Jul 1495-1496; Aug 1496-1497; Sep 1497-1498; Oct 1498-1499; Nov 1499-1500; Dec 1500-1501; Jan 1501-1502; Feb 1502-1503; Mar 1503-1504; Apr 1504-1505; May 1505-1506; Jun 1506-1507; Jul 1507-1508; Aug 1508-1509; Sep 1509-1510; Oct 1510-1511; Nov 1511-1512; Dec 1512-1513; Jan 1513-1514; Feb 1514-1515; Mar 1515-1516; Apr 1516-1517; May 1517-1518; Jun 1518-1519; Jul 1519-1520; Aug 1520-1521; Sep 1521-1522; Oct 1522-1523; Nov 1523-1524; Dec 1524-15

Allied Stores	26 1/2	25 1/2	Pat Nat
Allis Chalmers	13 1/2	13 1/2	Pat Penn
Alcoa	22	22 1/2	Ford
Amaz Inc	34 1/2	35 1/2	GAF Com
Amerasia Hous	51	51 1/2	Gen Dyn
Am Airlines	10 1/2	10 1/2	Gen Ele
Am Brands	38 1/2	37	Gen Foo
Am Broadcast	32 1/2	33	Gen MUI

	Share	% of sales
Du Pont	71%	20%
Eastern Air	56	36%
Eastman Kodak	129	14%
Exxon Corp.	282	76%
E.I. du Pont de Nemours & Co.	371	38%
Equitable Life	87	
Ryan's P. D.	157	15%
Exxon Corp.	281	36%
Weged Stores	374	37%
F.N. Chicago	123	12%
Fat Int'l Bncp	314	18%
Ogden		
Olin Corp.		
Owens-Ill.		
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	13 1/2	18 1/2	Raytheon	38 1/2	38 1/2
	1 1/2	12 1/2	RCA Corp	38 1/2	38 1/2
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ic	62	62 1/2	Republic Ind	38 1/2	38 1/2
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			Rockwell Int	38 1/2	38 1/2

25%	25%	Gulf Oil	14%
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21%	21%	Hudson Bay Min	14%
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21%	21%	Imperial Oil	14%
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37%	37%	Mass.-Oregon	14%
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## BUSINESS NEWS/FOCUS AND COMMENT

## PEOPLE

## ICL heads for the City

Businessmen who take Government money and occasionally honours — John De Lorean, Sir Michael Edwards (BL), Sir Peter Parker (BR) and Lord Kearn of British National Oil Corporation tend to lose their City clout the moment they take the Queen's shilling.

Will Christopher Laidlaw (chairman) and Robb Wilmot (managing director) of ICL, our leading computer maker,

ICL's Laidlaw and Wilmot

stand out in this dismal crowd? Yesterday Mr Laidlaw and his right-hand man met a gaggle of City institutions and stockbrokers, one lot in the morning and the other in the afternoon, to convince them that they, (and the group) had a future.

Mr Wilmot, one must remember is the City's best paid 36-year-old (£150,000 a year) with a Wimbledon house worth nearly £300,000 (why pick on Lord Kearn? Ralph Halpern of Burton?). Moreover, the dynamic duo had the City's money men eating out of their hands at the end of an hour long session.

Briefly, ICL, recently the butt of a Government £200m rescue, is on target for around £30m of profits after 1980-81's £50m of losses, and many more deals like the one with Fujitsu of Japan are on the way. Promises, they say, are gifts for fools, and ones made informally can only be for idiots. Whatever, the duo yesterday told the City what it wanted to hear.

## Life on the Left Bank

To the relief of the rather conservative staff of France's second largest bank, Crédit Lyonnais, their man is Jean Defassieux, aged 56, who for the last 10 years has been in charge of the international department. There had been fears that the government might choose a Communist ideologue like Philippe Herzog.

Defassieux cooperated with the Left under his Resistance pseudonym Jean-Pierre Barel and he was largely responsible for preparing the Socialist Party's plan for the nationalization of the French banking sector. Crédit Lyonnais was nationalized just after the war and the government will merely take over the minority held by employees. Ironically, the employee shareholders may now receive only 342F for their stock instead of 711F as originally promised.

Defassieux takes over from a close collaborator of former President Giscard d'Estaing, Claude Pierre-Brosselette.

Here endeth the third week of the new People column, and here begins a new editor. From Tuesday morning, I shall be handing over to my colleague, Peter Wainwright, whom I shall commend to you. As for me, I shall be occupying this space on Mondays only with InterCity, Business News's new regional column. See you Monday.

Ross Davies

## NEW APPOINTMENTS

Mr Philip G. Ratcliff has been appointed managing director of UTP Packaging Company. He succeeds Mr Sidney A. Bailey who will continue in his capacity as chairman.

Mr William R. O. Griffiths has been appointed a director of William Leach.

Mr Walter Tetter has been appointed to the board of Low & Bonar as finance director.

Dr Iain Anderson has been appointed chairman of the international fragrance and flavour company PPF which was formed by the recent merger of Proprietary Perfuming, Food Industries and Bertrand Freres.

Mr Peter Samuel has been appointed chairman of Samuel Properties. He succeeds Viscount Beaumont, who has retired.

Mr Peter Palmer, managing director of Tyne Tees Television, and Mr Robert Phillips, managing director of Central Independent Television have been appointed to the board of Independent Television News.

Mr Neville Simms has been appointed to the board of Tarmac Construction.

Mrs Georgina Andrews has been appointed a director of S. Simpson. Mrs Andrews has been a director of the retail subsidiary company, Simpson (Piccadilly) since January 1977.

Peter Wilson-Smith on the progress of proposals to reform London's insurance market

## Final hurdles for the Lloyd's Bill



Peter Green, Lloyd's chairman, amid the clamour

The Lloyd's Bill to bring up to date the archaic rules and procedures of the London insurance market where the rich and famous stake their fortunes, lurched another small step forward in its tortuous path through Parliament this week.

The Bill — which will modernize self-regulatory procedures dating back to the 1871 Lloyd's Act — has caused deep divisions among the 20,000 underwriting members of Lloyd's, among those who actually work in the market and among the Lloyd's brokers.

Despite the intensive examination the Bill was subjected to by the House of Commons committee, chaired by the Minister for the Sea, Mr Michael Meacher, Labour MP for Oldham West, divisions still remain. But in face of delaying tactics by Conservative backbenchers on Wednesday night, the Bill looks set to continue on its course.

The notion to start the report stage of the Bill was finally carried without a division on Wednesday and providing more time is found for the Bill, which seems likely, the next stage will be to consider amendments. Although some 23 amendments were tabled the Speaker has whittled these down to two covering the main issues of the Bill: "immunity" for the ruling council and "divestment" — the clause which would force brokers to sell off their underwriting interests.

It seems that another two three-hour sessions may be found to debate these two issues and Lloyd's itself remains confident. Mr Peter Miller, the Lloyd's committee member who has had the unenviable task of trying to pilot the Bill through, said: "We are confident that the Government will find further time to enable the examination of the amendments to be concluded and to allow the Bill to move to a third reading and then to the House of Lords."

Mr Miller feels the Bill could get the Royal Assent by mid-summer and remains adamant that Lloyd's has no intention of making any more compromises.

However, the opponents of the Bill are still set on forcing through changes. Mr Malcolm Pearson, of Lloyd's broker Pearson Webb Springbett, has been campaigning fiercely to get the immunity clause removed from the Bill. Mr Pearson, who has been working closely with Conservative backbenchers, said yesterday that the battle would continue.

"The market is now against this Bill and I think it is very foolish to blunder on with it," he said. Mr Pearson believes it is foolish of Lloyd's to include Clause 14, the immunity clause, when it risks bringing down the Bill, and he believes that Wednesday night's debate showed as much.

"It showed that there are seven to eight Tory MPs who are strongly enough to examine and recommend on its self-regulatory powers."

Certainly the possibility of the Tory backbenchers talking the Bill out still cannot be discounted. They demonstrated on Wednesday night that they were capable of doing so although it seemed equally clear that the Bill's opponents did not want to kill it altogether.

Defassieux cooperated with the Left under his Resistance pseudonym Jean-Pierre Barel and he was largely responsible for preparing the Socialist Party's plan for the nationalization of the French banking sector. Crédit Lyonnais was nationalized just after the war and the government will merely take over the minority held by employees. Ironically, the employee shareholders may now receive only 342F for their stock instead of 711F as originally promised.

Defassieux takes over from a close collaborator of former President Giscard d'Estaing, Claude Pierre-Brosselette.

## TECHNOLOGY: COMPUTER SECURITY

By Clive Cookson

From May, customers of the National Financial Field will have to sign on an electronic pad before they withdraw money from any of the 50 branches in Mexico City, a microprocessor will analyse each signature and written and make sure that it matches the customer's "reference signature" stored in the bank computer.

The Mexican trial will be the world's first commercial application of electronic signature verification — a security precaution that is likely to become a common method of personal identification within a few years.

The verification system, known as Verisign, is supplied by a new British company, Transaction Security, which is 40 per cent owned by Finance For Industry. Its technology was derived from research at the National Physical Laboratory, licensed through the British Technology Group.

While a practiced forger can produce a false signature that looks virtually identical to the real thing, experiments show that no one can imitate the speed and rhythm with which another person writes. Therefore, Verisign measures not only shape — including the area of the signature, length of ink on the paper, number of line crossings, up strokes and down strokes — but also the timing — such as speed and acceleration, sequence of dots and line crossings.

The National Physical Laboratory's original Verisign hardware used an ordinary ball-pen or pencil on a pressure-sensitive pad, writing on it made electrical contact between two mem-

The one point on which most in Parliament and those involved with Lloyd's agree, is that a Bill is urgently needed. It has become increasingly apparent in recent years in the wake of the various scandals such as the Sasse affair, the troubles surrounding the Christopher Moran Group, and the Savanta affair, that the powers of the Lloyd's committee are both inadequate and outdated.

A recent example involving the Christopher Moran Group serves to illustrate

this. The committee is presently trying to expel Mr Reid Wilson, a Lloyd's underwriter formerly connected with the Moran Group, from membership of the committee for what it describes as acts "discreditable to him as an underwriter". Mr Wilson began in 1979 and only last month Lloyd's announced its findings.

However it now needs a four-fifths vote of members at a special meeting to expel him, and all this nearly three years after it first started investigating the issue.

Of the two main issues now surrounding the bill — immunity and divestment — the latter was carefully examined at the committee stage and in the view of Michael Meacher, the Minister for the Sea, it is crucial to the Bill. "If divestment were not included I would not want the bill to be passed," he says.

The opposition to divestment, which was included at the instance of the Commons Committee, has been spearheaded by the Alexander Howden group, a Lloyd's broker with big underwriting interests.

## The story behind the Bill:

1979: Following a succession of scandals Lloyd's decides to set up a working party under former High Court judge Sir Henry Fisher to examine and recommend on its self-regulatory powers.

June 1980: Fisher Report is published and recommends wide ranging changes to bring the insurance market's procedures up to date. It urges setting up new ruling council for the market with non-working underwriting representatives, a wider range of penalties and divestment of underwriting agents by insurance brokers. Report includes a draft

bill which would transfer to newly formed council the rule-making and disciplinary powers vested in a general meeting of members.

Nov 1980: At Albert Hall meeting Lloyd's members vote for introduction of a Lloyd's Bill based on Fisher Report proposals — excluding divestment.

Jan 1981: Newly formed External Names Association decides to fight for changes in Bill.

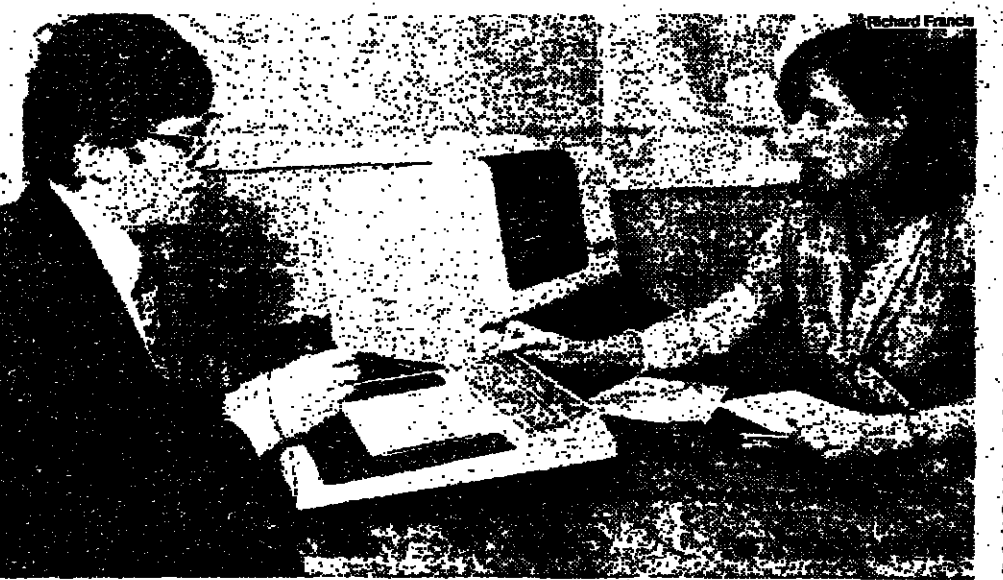
May 1981: House of Commons committee headed by Mr Michael Meacher shocks Lloyd's by demanding both divestment and divorce.

July 1981: Lloyd's members vote for divestment but not for divorce and Commons committee agrees.

Dec 1981: Commons committee rejects petition from Alexander Howden, a Lloyd's broker, with extensive underwriting interests, to remove divestment clause from Bill.

Jan 1981: Opposition grows to Clause 14 which would give new ruling council of Lloyd's immunity from being sued for damages by members. Conservative backbenchers threaten to try to block Bill unless Lloyd's compromises.

## Bank's electronic war on forgery



Signing in — technical manager Rod Beaton and secretary Susan Kennell

branes in the pad. But this has moved on to an "electronic pen", which sets up an electromagnetic field detected by sensors in the pad. It does not depend on contact and can follow the pen's movement while it is off the pad. An advantage is that it does not wear out so easily.

When a new user — say, a bank customer — comes to Verisign for the first time, he is asked to sign five times on the pad. The computer analyses the shape and timing of the signatures and, if there are unusual inconsistencies, it automatically requests some more. The samples are processed to produce a reference signature.

If one of the standard measures varies too much in a signature, the computer will not take that particular feature into account in its reference signature. For example, size would be dropped for someone whose signature was sometimes large and sometimes small, so the system would not always challenge his identity.

Everyone has enough stable but unique writing features to make a reference signature. By means of coded mathematical operations known as algorithms, the Verisign software converts the reference signature into a few hundred binary digits, which may be stored in the memory of a central computer or on the magnetic stripe of a credit or identity card.

Whenever the user signs in, he generates a new stream of digits which have to be almost identical to the reference to be accepted. The difference allowed between reference and actual signatures is set to accommodate the variability of an individual's writing without accepting a forgery.

The bank or other owner of a Verisign system can automatically vary the rejection threshold to reflect the value of a transaction or the damage that false acceptance would cause. For example, the threshold would be very low for someone withdrawing

£100,000 — offending a genuine customer is far less serious than handing the cash to a forger. And, of course, the rejected customer can be given the opportunity to prove his identity in another way. But for withdrawals of £100 the threshold could be raised considerably without much financial risk.

When a prototype Verisign terminal was used to protect access to Esso's IBM computer, it correctly authorised 580 users and rejected only four genuine signatures. All 189 attempted forgeries were rejected during the experiment, said Mr Rod Beaton, TSL technical manager.

Of course, signature is not the only personal characteristic that could be used for electronic identification. Alternatives include fingerprints, hand geometry and voice recognition. But Mr David Law, TSL managing director, believes that signing is the most socially acceptable method for institutions that deal with the public.

immunity remains a much more contentious issue. The Committee of Lloyd's remains adamant that it must be included. It argues that without some form of immunity it would not be able to carry out its new regulatory duties properly.

The committee fears that if it is to be able to take action against recalcitrant members it must be able to do so without fear that it will be sued for damages should, for instance, a suspended member be prevented from working but ultimately cleared from wrongdoing.

Lloyd's believes that a newly formed council's effectiveness as a regulatory body would be severely hampered without this kind of immunity, although it has conceded that members should be able to sue for damages resulting from clerical error attributable to Lloyd's.

Further Lloyd's has argued that it is ultimately the members who make up the Lloyd's community who have to bear the losses if a member goes bankrupt. It is inconsistent with the spirit of the market where members undertake the risk of losses "each for his own part and not one for another."

Opponents of immunity, however, fear that it would place Lloyd's above the law and add to the Sasse affair where the members of the Sasse syndicate, which was suspended, facing losses of more than £20m, sued Lloyd's claiming that market systems were at fault. A compromise deal was worked out under which the Lloyd's community footed the bill for more than £15m of the losses.

The immunity clause has already been modified during the course of the Bill through parliament, and the Meacher Committee rejected the original open-ended proposals which would have left it to the Lloyd's committee to draw up immunities under by-laws. Instead the Meacher Committee insisted that the immunities should be specifically stated in the Bill.

However, Lloyd's committee, says Mr Peter Miller, feels it has made enough compromises and it is not prepared to budge again.

So as the Bill heads for the next stage the behind-the-scenes meetings and lobbying continue, and bluff and counter-bluff from those trying to push it through and those trying to prevent it. Those who feel the Bill is all or partly along the right lines and those who feel that any new Bill will only tend to stultify the freedom of the market.

If the Bill does reach the statute books there is still no guarantee that a new Lloyd's council will use its new council powers effectively. But if the Bill does not the issue of regulation at Lloyd's will be thrust back in the hands of the Government — a prospect unlikely to appeal to anyone in the market.

In the meantime while it is asking too much to expect total agreement from those trying to push it through and those trying to prevent it, there is little doubt that the reputation of Lloyd's has not been enhanced by the squabbling and disagreement which has surfaced during the last few years. There are many in the market who will breathe a sigh of relief when the battle over the Bill has been finally resolved.

## Business Editor

## Borrowing on course

After the overhauls of the past couple of years it looks as if the government's original estimate for the public sector borrowing requirement (£10,600m) will prove rather closer to the mark this time round. Not as we already know, that the government is fully on top of its spending targets this year, but the day seems set to be saved by revenue growing faster than many boys' own than expected.

For the first nine months the PSBR comes out at just over £9,700m, a figure inflated by about £3,000m as a result of the civil servants' disruption of tax revenue last year. Of the £3,000m itself, £500m or so relates to additional interest charges sustained as a result of the delay in receiving tax revenue, and the remainder to revenue still owing.

The last quarter is never that easy to predict, largely because of uncertainties relating to local authorities and public corporations. This year, for instance, the bill for local authority borrowing requirement remains roughly in balance.

When the Chancellor comes to present his Budget he will not, of course, know the full year's borrowing with total precision. That may be just as well. For though some analysts still expect the full year figure to overtake marginally, others are looking for an undershoot. Presently, it would be far more convenient for the Chancellor to be able to announce tax cuts and show a significant cut in next year's PSBR when he sets out his strategy on March 9.

## Oil taxation. Change needed

With little more than a month to go to the Budget, there are two things that the Chancellor of the Exchequer has to decide about before he can decide about oil taxation. One is whether the overall burden of taxation is too high. The other is whether the whole fiscal system is in need of a thorough overhaul, to take account of the changed circumstances since the North Sea first came on stream six-and-a-half years ago.

The second question is much easier to answer than the first. Even the most ardent critic of the oil industry is unable to deny that the current four-tier system of off-shore oil taxation (royalty, special petroleum duty, petroleum revenue tax, corporation tax) is a chaotic jumble of words with care — outdated, inequitable, anomalous and inefficient. The great merit of the latest oil tax submission, from two academics at Aberdeen University, is that it is spelled out in plain, simple and without partiality, just how anachronistic the present regime has become.

It is clearly absurd, for example, that the tax regime should make it more profitable for an oil company with one major field under its belt to develop a nearby "satellite discovery" as a separate (and therefore more expensive) operation when it could be more cheaply developed by being tied into the existing production facilities. Yet that is what the current tax regime, in several instances, effectively encourages.

The truth is that the oil price explosion during 1979 and 1980 has rendered the original North Sea tax arrangements obsolete. Last year's temporary expedient of a crude tax on revenue, the Special Petroleum Duty, was acknowledged by the Chancellor to be a less than perfect attempt to cream off some of the windfall profits generated by the oil price rises.

If the Chancellor can persuade the Inland Revenue to carry out the necessary changes, there is no question that he should scrap the existing

combersome system and replace it with a single coherent tax on profits. Only then can he ensure that the nation (as represented by the taxpayer) is collecting the maximum economic rent from the North Sea. The Institute of Fiscal Studies, and now the Aberdeen University team, have suggested schemes that in theory will go a long way towards meeting these ends — without endangering the amount of revenue the Treasury receives from the North Sea.

Is it too much to hope that these ideas can be pursued? This year, perhaps yes. Despite the cries of "wolf" from the oil companies, there is little concrete evidence so far that the oil companies are paying more, en masse, than they can afford, or are willing to pay — for the right to exploit off-shore oil reserves. If they are (and there was no one more convinced last year that they were not than Mr Nigel Lawson, then a Treasury minister and now Energy Secretary), then the excess is only marginal.

## German steel Re-alignment

The deal announced yesterday between Thyssen and Esstal-Hoesch represents a major reconstruction of the ailing West German steel industry, albeit that the merging of the companies' bulk steel interests does not go as far as the Bonn government would have wished. The government wanted to put together Krupp, Hoesch and the publicly-owned Salzgitter.

However, the new Ruhrstahl will become the second largest steel producer, just behind Thyssen, making about 12 million metric tonnes a year.

The merger is, of course, defensive. This year, with demand hit by plummeting demand, especially from the construction industry, and West German steel-makers continually complain at the large subsidies poured by the British and French governments into their competing industries. Thyssen's world-wide steel interests lost £1.7m last year after a £25m profit previously. Losses have continued into the first quarter of this year, and £100m plus rights issue is planned. In 1981, Thyssen lost £13 on every tonne of steel produced. A price rise of £22 per tonne should help Thyssen into the black, while the merger will help it to meet the challenges of recession and subsidised competition.

Anyone reading doom for the jobbing system in the last few years, as reported by Smith Bros yesterday, is being premature, even though drastic restructuring is currently being contemplated by many sections of the City. In its latest trading period Smith was caught by the subverting of institutional attention to overseas markets and to interest rates. London equities were out of fashion. Also Smith is particularly associated with South Africa shares, another poor market, and the period took in last September's "Black Monday" when the index plummeted and then recovered equally sharply.

Just to show that the conditions in the first half of the year were unusual Smith has only cut the dividend by half. Conditions so far in the second half must improve, though it is too early to say if the dividend could be restored at the year end.

The half-year loss is not large in terms of the group's balance sheet. But the sort of score given by "Black Monday" and the cost of running books with the continuing high level of interest rates may help jobbing firms to allow for healthy markets.

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123 100	ABN Edge 10% CULS	121	—	10.0	8.3	—	—	—	—	—
75 62	Alparing Group	70	—	4.7	6.7	11.1	15.4	—	—	—
21 32	Amalgamated	20	—	4.3	9.6	3.8	8.5	—	—	—
205 187	Bellman-Bell	204	—	4.8	9.9	12.1	—	—	—	—
104 77	Debenhams Stores	77	-2	6.0	7.3	3.8	7.2	—	—	—
130 57	Frank Hovell	128	—	6.4	5.0	11.5	23.7	—	—	—
78 39	Frederick Parker	78	—	1.7	2.2	33.9	—	—	—	—
78 46	George Blair	50	—	—	—	—	—	—	—	—
302 35	IPC	306	+1	7.3	7.6	6.9	10.4	—	—	—
105 100	Isis Cont Prod	105	—	15.7	15.0	—	—	—	—	—
112 35	Jackson Group	95	—	7.0	7.4	3.0	6.7	—	—	—
120 100	James Knowles	112	—	9.2	7.8	8.2	10.3	—	—	—
24 25	Robert Jenkins	25	—	31.5	12.5	3.5	8.8	—	—	—
55 51	Sheraton AF	55	—	5.3	5.6	8.5	7.9	—	—	—
222 164	Torday & Carls	164	-1	10.7	6.5	5.3	9.4	—	—	—
15 30	Twinklark Ord	13	—	—	—	—	—	—	—	—
80 85	Twinklark 15% VLS	78	—	15.0	19.7	—	—	—	—	—
44 27	Unifac Holdings	27	—	3.0	11.1	4.8	8.2	—	—	—
103 75	Walter Alexander	75	—	6.4	8.5	4.9	8.7	—	—	—
221 215	W. S. Yeates	218	—	13.1	6.0	4.1	8.4	—	—	—

Prices now available on Prestel page 48146



## Equities retreat

ACCOUNT DAYS: Dealings Began, Jan 25. Dealings End Feb 12. Contango Day, Feb 15. Settlement Day, Feb 22.  
 \$ Forward bargains are permitted on two previous days.

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**11.15-Brian Matthew. 12.00 Round**

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Savage. 12.00 Paul Burnett. 3.30 Steve  
Nash. 5.30 Newswest. 5.45  
Unsoundable. 7.00 Andy Peebles. 10.00  
The Friday Rock Show. † 12.00  
Midnight Close.

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